

# 1 Budget Brief - GOED - FY15

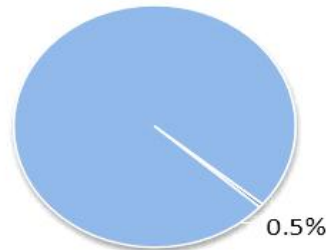
Thursday, February 06, 2014  
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# FY15 Budget Briefing

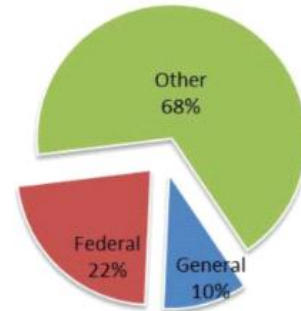
## Governor's Office of Economic Development

Information contained in this document is based on the Governor's original recommended FY15 budget.  
This document may not correspond with the FY15 budget adopted by the Legislature.

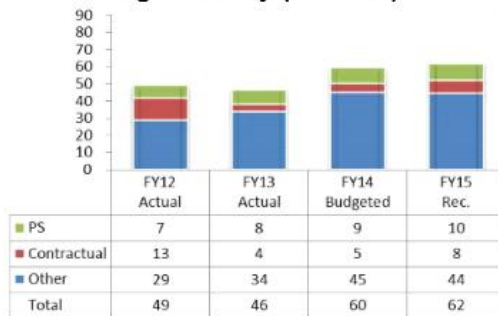
### Agency Share of Budgeted General Funds



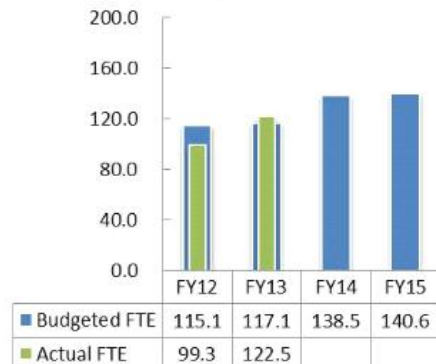
### Sources of Funds



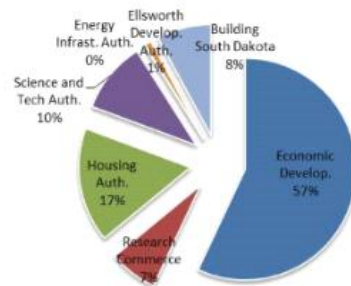
### Budget History (millions)



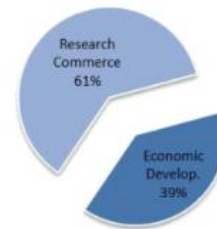
### FTE



### Distribution of Total Agency Funds



### Distribution of Agency General Funds



### Key Personnel

- Pat Costello, Commissioner
- Mike Headley, Executive Director  
Science and Tech. Authority
- Scott Landguth, Executive Director  
Ellsworth Development Authority
- Marty Davis, Finance Officer
- Mark Lauseng, Executive Director  
Housing Development Authority.

### Department Total

	Actual FY12	Actual FY13	Budgeted FY14	Gov Rec FY15	Rec % Change Inc/Dec FY15	From FY2014
<b>Personal Services</b>						
Employee Salaries	5,616,761	6,473,073	7,314,309	7,476,958	162,649	2.2%
Employee Benefits	1,841,046	1,952,650	2,059,330	2,273,273	213,943	10.4%
<b>FTE</b>	99.3	122.5	138.5	140.6	2.1	1.5%
<b>Funding Types</b>						
General	1,977,366	1,707,299	1,752,604	1,752,604	0	0.0%
Federal	1,638,420	1,489,258	2,092,828	2,012,755	(80,073)	(3.8%)
Other	3,842,020	5,229,165	5,528,207	5,984,872	456,665	8.3%
<b>Total PS</b>	7,457,806	8,425,722	9,373,639	9,750,231	376,592	4.0%
<b>Operating Expenses</b>						
Travel	655,380	608,148	762,824	779,024	16,200	2.1%
Contractual Services	12,669,012	3,924,693	5,103,142	7,739,415	2,636,273	51.7%
Supplies & Materials	1,664,235	1,023,686	3,158,521	3,160,541	2,020	0.1%
Grants and Subsidies	16,612,018	27,034,941	40,248,516	40,248,516	0	0.0%
Capital Outlay	10,157,675	5,466,838	252,827	252,827	0	0.0%
Other	0	0	657,629	0	(657,629)	(100.0%)
<b>Funding Types</b>						
General	9,751,310	4,531,720	4,530,874	4,535,769	4,895	0.1%
Federal	5,571,750	7,052,546	11,939,016	11,839,404	(99,612)	(0.8%)
Other	26,435,259	26,474,040	33,713,569	35,805,150	2,091,581	6.2%
<b>Total OE</b>	41,758,319	38,058,306	50,183,459	52,180,323	1,996,864	4.0%
<b>Totals</b>						
<b>Funding Types</b>						
General	11,728,676	6,239,019	6,283,478	6,288,373	4,895	0.1%
Federal	7,210,170	8,541,804	14,031,844	13,852,159	(179,685)	(1.3%)
Other	30,277,279	31,703,206	39,241,776	41,790,022	2,548,246	6.5%
<b>Total</b>	49,216,126	46,484,028	59,557,098	61,930,554	2,373,456	4.0%

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Legislative Research Council

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### Major Expansions and Reductions

Budget Item	Governor's Recommendation				FTE
	General Funds	Federal Funds	Other Funds	Total Funds	
<b>Housing Development Auth.</b>					
Insurance Costs			50,000	50,000	-
<b>Science and Tech. Authority -</b>					
Ross Shaft Rehabilitation			2,109,185	2,109,185	4.6
<b>SD Ellsworth Development Auth.</b>					
Contracted services - FTE & authority reduction		(180,073)	387,673	207,600	(2.5)
<b>Interagency Billing Increase</b>	4,895	388	1,388	6,671	
Total	4,895	(179,685)	2,548,246	2,373,456	2.1

- ✓ See Budget Notes regarding these Expansions and Reductions on the following pages under the various programs.



## GOVERNOR'S OFFICE OF ECONOMIC DEVELOPMENT

The mission of the Governor's Office of Economic Development is to work together with businesses, government organizations, educational institutions, and individual citizens to maximize and leverage public-private sector partnerships to generate new ideas, to develop new businesses, to strengthen existing businesses, and to encourage additional investment in South Dakota to improve the quality of life for all South Dakotans.

	Actual FY12	Actual FY13	Budgeted FY14	Gov Rec FY15	Rec Inc/Dec FY15	% Change From FY2014
<b>Personal Services</b>						
Employee Salaries	2,005,253	1,734,957	2,105,369	2,105,369	0	0.0%
Employee Benefits	504,464	504,672	558,996	558,996	0	0.0%
<b>FTE</b>	34.1	34.0	40.6	40.6	0.0	0.0%
<b>Funding Types</b>						
General	1,812,289	1,544,706	1,585,319	1,585,319	0	0.0%
Federal	311,535	279,615	503,223	503,223	0	0.0%
Other	385,893	415,308	575,823	575,823	0	0.0%
<b>Total PS</b>	2,509,717	2,239,629	2,664,365	2,664,365	0	0.0%
<b>Operating Expenses</b>						
Travel	310,156	304,778	306,972	306,972	0	0.0%
Contractual Services	10,431,516	789,929	1,055,614	1,062,285	6,671	0.6%
Supplies & Materials	70,547	73,813	79,600	79,600	0	0.0%
Grants and Subsidies	12,939,065	19,265,449	31,175,565	31,175,565	0	0.0%
Capital Outlay	86,606	59,768	5,000	5,000	0	0.0%
<b>Funding Types</b>						
General	6,061,728	842,052	841,206	846,101	4,895	0.6%
Federal	5,070,320	6,492,569	11,159,708	11,160,096	388	0.0%
Other	12,705,842	13,159,115	20,621,837	20,623,225	1,388	0.0%
<b>Total OE</b>	23,837,890	20,493,736	32,622,751	32,629,422	6,671	0.0%
<b>Totals</b>						
<b>Funding Types</b>						
General	7,874,017	2,386,758	2,426,525	2,431,420	4,895	0.2%
Federal	5,381,855	6,772,184	11,662,931	11,663,319	388	0.0%
Other	13,091,735	13,574,424	21,197,660	21,199,048	1,388	0.0%
<b>Total</b>	26,347,608	22,733,365	35,287,116	35,293,787	6,671	0.0%

### Budget Notes

- A. Interagency Billings - Increase of \$4,895 in general funds, \$388 in federal fund expenditure authority, and \$1,388 in other fund expenditure authority.

**State Programs Included in the Office of Economic Development's Budget:**

- **State Energy Program** - created in § 1-33B-18 in FY 1983, the Energy Conservation Loan Special Revenue Fund in part contains federal money to be used for the purpose of making loans, leases, or grants for energy conservation. Also included in the fund is money from the Petroleum Violation Escrow (PVE) account, which is money received through oil overcharge lawsuit settlements. Any money in the fund is continuously appropriated.
- **Future Fund** – created in § 61-5-24.2, the Employer's Investment in South Dakota's Future Fund was created for the purpose of funding projects related to research and economic development for the state. It was created in 1987 from a special assessment on wages paid by South Dakota employers. The FY13 ending cash balance was \$46,016,891.
- **Community Development Block Grants (CDBG)** - The federal CDBG Program provides states with annual direct grants, which they in turn award to smaller communities and rural areas for use in revitalizing neighborhoods, expanding affordable housing and economic opportunities, and/or improving community facilities and services.

Since 1974, CDBG has been the major source of annual grant funds for local governments nationwide. Communities can devote these funds to a wide-range of activities that best serve their own particular development priorities; provided that these projects (1) benefit low and moderate-income families, (2) prevent or eliminate slums or blight, or (3) meet other urgent community development needs.

The CDBG program is one of the nation's largest federal grant programs. Traditionally, the largest single use of state CDBG funds has been to provide public facilities. In the last few years, however, the program has been used to stimulate economic development activities that expand job and business opportunities for lower-income families and neighborhoods.

- **Revolving Economic Development and Initiative Fund** – created in § 1-16G-3 in 1987, for the purpose of making loans for economic development. This fund was revised in 2007 to allow for grants as well as loans. The FY13 ending cash balance was \$61,906,252.
- **South Dakota WORKS** – This is a loan program to help South Dakota's small businesses expand. The program is funded by a \$13.2 million grant from the U.S. Treasury Department. It provides small businesses with working capital, startup funds, construction financing, and money for payroll and inventory. The state expects the program will generate at least \$10 in private lending for every \$1 in federal spending. That would mean the \$13.2 million federal grant will support \$132 million in private lending.  
  
Fourteen loans have been approved, \$7.8 million has been allocated, and total project costs total \$74.7 million.
- **South Dakota WINS** – Two years ago, the Governor recommended \$5 million in general funds for the "New South Dakotans" program. This program partners with South Dakota companies to recruit skilled out-of-state workers into the state. The program has gotten off to a slower start than planned, and has expended roughly 20% of the funds. To date, 44 businesses have enrolled in the program, listing over 450 job openings. The program has successfully attracted 131 out-of-state workers who have moved to South Dakota, or are in the process of moving, to accept hard-to-fill positions.

During the Governor's December 2013 Budget Address, the Governor recommended to revert \$4 million of the \$5 million. The \$4 million will be available for re-appropriation. The Governor has introduced SB53 to allocate \$500,000 to the Department of Labor & Regulation's workforce recruitment efforts, including both New South Dakotans as well as Dakota Roots.

- **Proof of Concept Research Projects**— Last year, \$200,000 in Other Fund Authority was appropriated to be used to support “proof of concept” research for innovations and potential products. The funds assist in transitioning the innovations and products to private sector businesses for commercialization.

The Proof of Concepts Fund, with support from the US Small Business Administration FAST program and GOED, provide up to \$25,000 investments for eligible applicants to conduct research demonstrating the technical and economic feasibility of an innovation significantly enhancing the likelihood of commercialization of the innovation.

Eligible applicants for “Proof of Concept” investments include: entrepreneurs, universities, existing South Dakota companies, or other entities committed to commercializing the results in South Dakota. Applications can be submitted at any time. A matching cash or in-kind investment of at least 10 percent of the project cost is required.

An SBA grant was received to jump start the proof of concept investment project. To date, 12 applications have been received and \$165,000 has been awarded to seven projects. Two projects have been completed and the companies will be repaying the funds.

## DIVISION OF RESEARCH COMMERCE

The mission of the Division of Research Commerce is to increase research, development and commercialization for the betterment of South Dakota; provide staff support for the Research and Commercialization Council and coordinate implementation and evaluation of the Council's investments in the state's research and commercialization infrastructure; manage state, federal, (including EPSCoR), and private funds entrusted to this office for the purpose of promoting the development of the state's research infrastructure and knowledge-based economic development through commercialization of innovations, business start-ups, business expansion and attraction of new knowledge-based businesses; and work with private sector partners and organizations to leverage state and federal investments in the South Dakota research and commercialization infrastructure.

	<b>Actual FY12</b>	<b>Actual FY13</b>	<b>Budgeted FY14</b>	<b>Gov Rec FY15</b>	<b>Rec % Change Inc/Dec FY15</b>	<b>From FY2014</b>
<b>Personal Services</b>						
Employee Salaries	134,371	128,977	134,283	134,283	0	0.0%
Employee Benefits	30,706	33,616	33,002	33,002	0	0.0%
<b>FTE</b>	<b>2.0</b>	<b>2.0</b>	<b>2.0</b>	<b>2.0</b>	<b>0.0</b>	<b>0.0%</b>
<b>Funding Types</b>						
General	165,077	162,593	167,285	167,285	0	0.0%
Federal	0	0	0	0	0	0.0%
Other	0	0	0	0	0	0.0%
<b>Total PS</b>	<b>165,077</b>	<b>162,593</b>	<b>167,285</b>	<b>167,285</b>	<b>0</b>	<b>0.0%</b>
<b>Operating Expenses</b>						
Travel	5,900	9,114	6,070	6,070	0	0.0%
Contractual Services	6,929	6,586	9,737	9,737	0	0.0%
Supplies & Materials	876	957	910	910	0	0.0%
Grants and Subsidies	3,672,953	3,672,951	4,172,951	4,172,951	0	0.0%
Capital Outlay	2,923	61	0	0	0	0.0%
<b>Funding Types</b>						
General	3,689,582	3,689,668	3,689,668	3,689,668	0	0.0%
Federal	0	0	0	0	0	0.0%
Other	0	0	500,000	500,000	0	0.0%
<b>Total OE</b>	<b>3,689,582</b>	<b>3,689,668</b>	<b>4,189,668</b>	<b>4,189,668</b>	<b>0</b>	<b>0.0%</b>
<b>Totals</b>						
<b>Funding Types</b>						
General	3,854,659	3,852,261	3,856,953	3,856,953	0	0.0%
Federal	0	0	0	0	0	0.0%
Other	0	0	500,000	500,000	0	0.0%
<b>Total</b>	<b>3,854,659</b>	<b>3,852,261</b>	<b>4,356,953</b>	<b>4,356,953</b>	<b>0</b>	<b>0.0%</b>

### Budget Notes

There were no recommended increases or decreases.

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## SOUTH DAKOTA HOUSING DEVELOPMENT AUTHORITY

The mission of the South Dakota Housing Development Authority is to provide a fully adequate supply of sanitary, decent, and safe accommodations at rental or carrying charges that such persons can afford; to encourage the investment of private capital; to stimulate the construction and rehabilitation of residential housing; to sell bonds to provide low interest mortgages; and to produce and sell 125 quality homes each year to provide an affordable housing alternative.

	Actual FY12	Actual FY13	Budgeted FY14	Gov Rec FY15	Rec % Change Inc/Dec FY15	From FY2014
<b>Personal Services</b>						
Employee Salaries	2,942,670	2,796,052	3,296,703	3,296,703	0	0.0%
Employee Benefits	1,180,736	1,052,935	1,052,490	1,102,490	50,000	4.8%
<b>FTE</b>	58.2	57.5	65.0	65.0	0.0	0.0%
<b>Funding Types</b>						
General	0	0	0	0	0	0.0%
Federal	1,326,885	1,209,643	1,509,532	1,509,532	0	0.0%
Other	2,796,521	2,639,344	2,839,661	2,889,661	50,000	1.8%
<b>Total PS</b>	4,123,406	3,848,987	4,349,193	4,399,193	50,000	1.1%
<b>Operating Expenses</b>						
Travel	283,153	263,301	407,123	407,123	0	0.0%
Contractual Services	1,811,704	1,999,405	1,536,339	2,193,968	657,629	42.8%
Supplies & Materials	1,445,966	865,160	3,060,631	3,060,631	0	0.0%
Capital Outlay	186,805	190,098	247,827	247,827	0	0.0%
Other	0	0	657,629	0	(657,629)	(100.0%)
<b>Funding Types</b>						
General	0	0	0	0	0	0.0%
Federal	501,430	559,977	679,308	679,308	0	0.0%
Other	3,226,198	2,757,987	5,230,241	5,230,241	0	0.0%
<b>Total OE</b>	3,727,628	3,317,964	5,909,549	5,909,549	0	0.0%
<b>Totals</b>						
<b>Funding Types</b>						
General	0	0	0	0	0	0.0%
Federal	1,828,315	1,769,620	2,188,840	2,188,840	0	0.0%
Other	6,022,719	5,397,331	8,069,902	8,119,902	50,000	0.6%
<b>Total</b>	7,851,034	7,166,951	10,258,742	10,308,742	50,000	0.5%

### Budget Notes

- A. Increase in employee insurance benefits- There is a \$50,000 increase in other expenditure authority for employees benefits based on anticipated increases in insurance.
- B. \$657,629 transfer of authority - Other fund expenditure authority was moved to contractual services based on expenditures.

## SOUTH DAKOTA SCIENCE AND TECHNOLOGY AUTHORITY

The mission of South Dakota Science and Technology Authority is to foster and facilitate scientific and technological investigation, experimentation, and development by creating a mechanism through which laboratory, experimental, and development facilities may be acquired, developed, constructed, maintained, operated, and decommissioned.

The Sanford Laboratory at Homestake in Lead, S.D., will advance our understanding of the universe and demonstrate the feasibility of the National Science Foundation's proposed Sanford Underground Research Facility (SURF) at Homestake.

	Actual FY12	Actual FY13	Budgeted FY14	Gov Rec FY15	Rec % Change Inc/Dec FY15	From FY2014
<b>Personal Services</b>						
Employee Salaries	534,467	1,813,086	1,569,823	1,919,052	349,229	22.2%
Employee Benefits	125,139	361,427	409,730	573,673	163,943	40.0%
<b>FTE</b>	5.0	29.0	28.4	33.0	4.6	16.2%
<b>Funding Types</b>						
General	0	0	0	0	0	0.0%
Federal	0	0	0	0	0	0.0%
Other	659,606	2,174,513	1,979,553	2,492,725	513,172	25.9%
<b>Total PS</b>	659,606	2,174,513	1,979,553	2,492,725	513,172	25.9%
<b>Operating Expenses</b>						
Travel	56,171	22,895	28,660	28,660	0	0.0%
Contractual Services	418,862	763,251	2,285,045	3,881,058	1,596,013	69.8%
Supplies & Materials	146,845	82,219	16,180	16,180	0	0.0%
Grants and Subsidies	0	4,096,541	0	0	0	0.0%
Capital Outlay	9,881,341	5,216,912	0	0	0	0.0%
<b>Funding Types</b>						
General	0	0	0	0	0	0.0%
Federal	0	0	0	0	0	0.0%
Other	10,503,219	10,181,818	2,329,885	3,925,898	1,596,013	68.5%
<b>Total OE</b>	10,503,219	10,181,818	2,329,885	3,925,898	1,596,013	68.5%
<b>Totals</b>						
<b>Funding Types</b>						
General	0	0	0	0	0	0.0%
Federal	0	0	0	0	0	0.0%
Other	11,162,825	12,356,331	4,309,438	6,418,623	2,109,185	48.9%
<b>Total</b>	11,162,825	12,356,331	4,309,438	6,418,623	2,109,185	48.9%

### Budget Notes

- A. Ross Shaft Rehabilitation –** There was an increase in personal services authority and FTE based on anticipated expenditures on the Ross Shaft rehabilitation. There is an increase of 4.6 FTE and some staff changes.

<b><u>Staff changes:</u></b>	Current	Requested	Change:
<b>Electricians</b>	1.4	1.0	-.4
<b>Infrastructure Technicians</b>	17	22	+5
<b>Hoist Operators</b>	3	4	+1
<b>Administrative Assistant</b>	1	0	-1
<b>TOTAL Request</b>			<b>+4.6</b>

**The total other authority request is \$2,109,185.**

#### **Time-line for the Science and Technology Authority**

- On February 11, 2004, the Legislature created the Science and Technology Authority and committed \$14.3 million of general funds to the Homestake proposal.
- On October 14, 2005, the Legislature, in a special session, approved \$19.9 million to develop the interim laboratory at Homestake.
- On June 26, 2006, Sioux Falls Banker and philanthropist Denny Sanford announced that he would donate \$70 million to the Science and Technology Authority that would allow for completing laboratory space at the 4,850 foot level, improving hoists and reducing operating costs, as well as pumping out accumulated water. The gift also provided funds for a science education center, as well as funds for preparing the 8,000 foot level. The donation consisted of \$35 million dedicated to rehab to the 4,850 foot level, \$20 million dedicated to education and outreach programs, and \$15 million dedicated to the DUSEL or 8000 foot level.
- On July 10, 2007, the Governor announced that the National Science Foundation (NSF) had selected the former Homestake mine as the site to be developed as the proposed Deep Underground Science and Engineering Laboratory (DUSEL).
- The NSF has indicated their intention to provide \$5 million a year for 3 years to develop a more specific technical design for the laboratory. The NSF committed another \$29.1 million for a preliminary design of the DUSEL.
- In 2010 as part of the General Appropriations Act for FY2011, \$5.4 million was authorized to be transferred from other state funds to the Science and Technology Authority to bridge the anticipated gap in funding needed from December 2010 to May 2011. \$1.5 million from the state aeronautics fund, \$1 million from the tax relief fund, \$2 million from the petroleum release compensation fund, \$400,000 from the private activity bond fees fund, and \$500,000 from the telecommunications fund for the deaf and the telecommunications fund for other disabilities.
- To date the authority has received \$43.0 million in total general fund and other state funds since its inception. Two million in general funds was a FY14 one-time special appropriation. This \$2 million replaced steel in the Ross Shaft. The upgrade enables the underground lab to accommodate the excavations necessary for future experiments, and will extend the lab into the future. The funding accelerates the work that is being undertaken to rehabilitate the Ross Shaft, which is one of the two vertical shafts that gives access to the Davis Campus where both of the major experiments are located.
- December 2, 2010, The National Science Board (NSB) — which must approve large outlays by the NSF — decided to refuse 'bridge funding' of \$29 million. NSF program managers had requested the amount to allow continued development of a design proposal that would in



turn be voted on in 2011. In July 2011, the Department of Energy agreed to fund operations at the Sanford Underground Laboratory during the FY2012, while weighing how to use Homestake's great depth for larger, long-term experiments.

- \$15 million had been committed in the U.S. Department of Energy budget for the federal fiscal year beginning in October 2011. The National Science Foundation continued to fund operations at the Sanford Lab until Congress approved the 2012 budget for the Department of Energy. While the Department of Energy's proposed 2012 budget included \$15 million to fund basic operations at the lab, the congressional continuing resolution prevented the agency from funding what is considered to be new projects until the budget was approved, Sanford Lab officials said. Therefore, since the National Science Foundation funded lab operations in 2011, that agency agreed to continue to pick up the tab until Congress passed the budget for 2012.
- Federal FY12 funding for the lab was approved by Congress and went into effect when the President signed the omnibus bill in December 2011.
- January 2013 – Scientists have been given the Dept. of Energy's approval to move forward with plans for a \$50 million building that will eventually house a neutrino detector in Lead. The Long Baseline Neutrino Experiment is expected to be an \$870 million, multi-phase project. Scientists will shoot a beam of neutrinos from Fermilab, near Chicago, to Kirk Canyon in Lead, where a detector will help scientists study the properties of the subatomic particles.
- The U.S. Department of Energy is looking to find the additional \$135 million to take the Long Baseline Neutrino Experiment detector underground to the 4850 level. If successful, the construction costs at Sanford Lab, to be completed by the DOE would rise to approximately \$300 million. They are looking for both domestic and international participation to accomplish this.
- A new experiment buried deep underground has proven itself to be the most sensitive dark-matter detector ever built. But the first results from the high-tech instrument have turned up empty in its search for elusive dark matter, scientists announced on October 30, 2013. Housed 1 mile (1.6 kilometers) underground, the Large Underground Xenon (LUX) experiment's sensitivity makes it better at seeking out dark Matter than any other detectors built for that purpose. Although the powerful dark matter detector has just completed its first run, LUX has not yet found conclusive evidence of the elusive substance.

The Authority's year-end cash balances, as reported on the state's accounting system, are comprised of the following:

Description	Jun-05	Jun-06	Jun-07	Jun-08	Jun-09	Jun-10	Jun-11	Jun-12	Jun-13
Operating Funds	\$ 369,672	\$ 677,896	\$ 277,761	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Indemnification Fund	\$ 10,039,262	\$ 10,264,452	\$ 10,000,000	\$ 10,000,000	\$ 10,000,000	\$ 10,000,000	\$ 10,000,000	\$ 10,000,000	\$ 10,000,000
Mine Closure Fund	\$ 803,141	\$ 1,021,156	\$ 1,046,876	\$ 1,088,989	\$ 1,144,552	\$ 1,197,450	\$ 1,256,881	\$ 1,299,217	\$ 1,329,564
Insurance Premiums	\$ 2,464,480	\$ 2,519,761	\$ 1,974,068	\$ 1,833,411	\$ 1,833,411	\$ 1,068,069	\$ 483,005	\$ -	\$ -
Sanford	\$ -	\$ -	\$ -	\$ 15,000,000	\$ 31,989,683	\$ 18,635,642	\$ 6,886,182	\$ 7,480,743	\$ 4,117,760
Sanford Gift #2	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,500,000	\$ 12,500,000	\$ 5,000,000	\$ 20,000,000
Interim Lab	\$ -	\$ 19,887,630	\$ 19,887,660	\$ 19,244,974	\$ -	\$ -	\$ -	\$ -	\$ -
SB 196 Transfers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,356,642	\$ -	\$ -
Total Cash Balance	\$ 13,676,555	\$ 34,370,895	\$ 33,186,365	\$ 47,167,374	\$ 44,967,646	\$ 43,401,161	\$ 33,482,710	\$ 23,779,960	\$ 35,447,324

The following worksheet is Funding Provided, Expenditures, and Cash Balances of Cash Basis Activity on the State's Accounting System from FY 2004 through FY 2013 for the authority:

Denise Houlette  
Legislative Research Council

GOED – Page 11

February 6, 2014  
GOED Budget FY15.docx



SD Science and Technology Authority  
Funding Provided, Expenditures, and Cash Balances  
Cash Basis Activity on State's Accounting System  
FY2004 through FY2013

FUNDING PROVIDED		FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Type of funds	Purpose of funds										
G/F - Special approp.	Indemnification Fund	\$ 10,000,000									
G/F - Special approp.	Mine Closure Fund	\$ 800,000									
G/F - Special approp.	Insurance Premiums/Other Oper. Exp.	\$ 3,500,000									
G/F - Special approp.	Project as defined in SDCL 1-16H-3(3)	\$ 19,887,630									
G/F - Special approp.	Interim Lab		\$ b/0,54b	\$ 19,887,630							
G/F - Special approp.	Office of the Governor Homestake Laboratory Conversion Project										
Other fund transfer	Transfer from 5 other state funds	\$ 5,400,000									
Federal HUD Funds	Mine	\$ 10,000,000									
Denny Sanford	Donation consists of \$35 million dedicated to rehab to the 4850 foot level. \$20 million dedicated to education and outreach programs, and \$15 million dedicated to the DUSEL or 8000 foot level.	\$ 70,000,000									
NSF and DOE funds	Money is used for design of the DUSEL and experiments										
Interest Proration	Money is invested in State's Cash Flow Fund		\$ 53,487	\$ 306,164	\$ 763,921	\$ 1,376,810	\$ 2,020,350	\$ 2,209,241	\$ 2,287,274	\$ 1,444,580	\$ 763,905
Other	Not sure of this funding source			\$ 200,000							
TOTAL FUNDS RECEIVED		\$ 14,300,000	\$ 774,033	\$ 21,139,340	\$ 1,131,245	\$ 25,503,369	\$ 22,526,467	\$ 22,209,241	\$ 7,687,274	\$ 1,444,580	\$ 15,763,905
<<<According to STA, this money does not come directly to the Authority>>>											
EXPENDITURES		FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Contractual Services		\$ 676,932	\$ 670,546	\$ 445,000	\$ 480,774	\$ 126,946	\$ 74,726,196	\$ 23,010,384	\$ 17,020,661	\$ 10,664,325	\$ 3,333,290
Grants and Subsidies		\$ 676,932	\$ 670,546	\$ 445,000	\$ 2,315,774	\$ 11,572,360	\$ 24,726,196	\$ 23,775,726	\$ 17,605,725	\$ 11,147,330	\$ 4,096,541
TOTAL EXPENDITURES		\$ 13,623,068	\$ 13,676,555	\$ 34,370,895	\$ 33,196,366	\$ 47,167,375	\$ 44,967,646	\$ 43,401,161	\$ 33,482,710	\$ 23,779,360	\$ 35,447,324
ENDING FISCAL YEAR CASH BALANCE ACCOUNTS ON STATE'S ACCOUNTING SYSTEM		FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Operating Funds		\$ 368,226	\$ 369,672	\$ 677,896	\$ 277,761						
Indemnification Fund		\$ 10,000,000	\$ 10,039,262	\$ 10,264,452	\$ 10,000,000	\$ 10,000,000	\$ 10,000,000	\$ 10,000,000	\$ 10,000,000	\$ 10,000,000	\$ 10,000,000
Mine Closure Fund		\$ 800,000	\$ 803,141	\$ 1,021,156	\$ 1,046,876	\$ 1,088,989	\$ 1,144,552	\$ 1,197,450	\$ 1,256,881	\$ 1,299,217	\$ 1,329,564
Insurance Premiums		\$ 2,464,942	\$ 2,464,480	\$ 2,519,761	\$ 1,974,068	\$ 1,833,411	\$ 1,833,411	\$ 1,863,642	\$ 1,886,182	\$ 7,480,743	\$ 4,117,760
Sanford Gift #2						\$ 15,000,000	\$ 31,989,683	\$ 18,635,642	\$ 6,886,182		
Interim Lab				\$ 19,887,630	\$ 19,887,660	\$ 19,244,974					
2010 SB196 Transfers									\$ 2,356,642		
TOTAL CASH BALANCE		\$ 13,623,068	\$ 13,676,555	\$ 34,370,895	\$ 33,196,365	\$ 47,167,374	\$ 44,967,646	\$ 43,401,161	\$ 33,482,710	\$ 23,779,360	\$ 35,447,324

Total State  
Funding Provided  
\$41.0 million

## SD ENERGY INFRASTRUCTURE AUTHORITY

The South Dakota Energy Infrastructure Authority is created to diversify and expand the state's economy by developing in this state the energy production facilities and the energy transmission facilities necessary to produce and transport energy to markets within the state and outside of the state.

	Actual FY12	Actual FY13	Budgeted FY14	Gov Rec FY15	Rec % Change Inc/Dec FY15	From FY2014
<b>Personal Services</b>						
Employee Salaries	0	0	21,551	21,551	0	0.0%
Employee Benefits	0	0	5,112	5,112	0	0.0%
<b>FTE</b>	0.0	0.0	0.0	0.0	0.0	0.0%
<b>Funding Types</b>						
General	0	0	0	0	0	0.0%
Federal	0	0	0	0	0	0.0%
Other	0	0	26,663	26,663	0	0.0%
<b>Total PS</b>	0	0	26,663	26,663	0	0.0%
<b>Operating Expenses</b>						
Travel	0	0	13,999	13,999	0	0.0%
Contractual Services	0	0	16,407	16,407	0	0.0%
Supplies & Materials	0	0	1,200	1,200	0	0.0%
<b>Funding Types</b>						
General	0	0	0	0	0	0.0%
Federal	0	0	0	0	0	0.0%
Other	0	0	31,606	31,606	0	0.0%
<b>Total OE</b>	0	0	31,606	31,606	0	0.0%
<b>Totals</b>						
<b>Funding Types</b>						
General	0	0	0	0	0	0.0%
Federal	0	0	0	0	0	0.0%
Other	0	0	58,269	58,269	0	0.0%
<b>Total</b>	0	0	58,269	58,269	0	0.0%

## SD ELLSWORTH DEVELOPMENT AUTHORITY

The South Dakota Ellsworth Development Authority was created to protect and promote the economic impact of Ellsworth Air Force Base and associated industry.

	Actual FY12	Actual FY13	Budgeted FY14	Gov Rec FY15	Rec % Change Inc/Dec FY15	From FY2014
<b>Personal Services</b>						
Employee Salaries	0	0	186,580	0	(186,580)	(100.0%)
<b>FTE</b>	0.0	0.0	2.5	0.0	(2.5)	(100.0%)
<b>Funding Types</b>						
General	0	0	0	0	0	0.0%
Federal	0	0	80,073	0	(80,073)	(100.0%)
Other	0	0	106,507	0	(106,507)	(100.0%)
<b>Total PS</b>	0	0	186,580	0	(186,580)	(100.0%)
<b>Operating Expenses</b>						
Travel	0	8,061	0	16,200	16,200	0.0%
Contractual Services	0	365,522	200,000	575,960	375,960	188.0%
Supplies & Materials	0	1,537	0	2,020	2,020	0.0%
<b>Funding Types</b>						
General	0	0	0	0	0	0.0%
Federal	0	0	100,000	0	(100,000)	(100.0%)
Other	0	375,120	100,000	594,180	494,180	494.2%
<b>Total OE</b>	0	375,120	200,000	594,180	394,180	197.1%
<b>Totals</b>						
<b>Funding Types</b>						
General	0	0	0	0	0	0.0%
Federal	0	0	180,073	0	(180,073)	(100.0%)
Other	0	375,120	206,507	594,180	387,673	187.7%
<b>Total</b>	0	375,120	386,580	594,180	207,600	53.7%

### Budget Notes

A. There was a reduction of 2.5 FTE and authority since services are contracted.

## BUILDING SOUTH DAKOTA PROGRAM

The Building South Dakota fund was created during the 2013 Session for the purpose of building and reinvesting in South Dakota's economy and to create high quality jobs. The Contractors' excise tax on facilities with project costs exceeding \$20M dollars are deposited into this fund. In addition, 25% of the unclaimed property deposited in the general fund in FY15 is transferred into the Building South Dakota fund. Each year after 50% of the unclaimed property receipts are deposited in this fund. Money from this fund is disbursed for the following purposes: (1) 25% transferred to the local infrastructure improvement grant fund; (2) 15% transferred to the economic development partnership fund; (3) 30% transferred to the workforce education fund; (4) 25% transferred to the South Dakota housing opportunity fund and (5) 5% transferred to the revolving economic development and initiative (REDI) fund for the purpose of making grants to projects that have a total project close of less than \$20M dollars. Each department administering the funds shall report annually to the Government Operations and Audit Committee about the operations and results of the building South Dakota Fund. Included under the Building South Dakota Program are the following informational budgets: REDI Grants (\$350,000), Local Infrastructure Improvement (\$1,750,000), Economic Development Partnership (\$1,050,000) and SD Housing Opportunity (\$1,750,000). These four funds total the \$4,900,000 listed below. The Workforce Education Fund is under the Department of Education.

	Actual FY12	Actual FY13	Budgeted FY14	Gov Rec FY15	Rec % Change Inc/Dec FY15	From FY2014
<b>Operating Expenses</b>						
Grants and Subsidies	0	0	4,900,000	4,900,000	0	0.0%
<b>Funding Types</b>						
General	0	0	0	0	0	0.0%
Federal	0	0	0	0	0	0.0%
Other	0	0	4,900,000	4,900,000	0	0.0%
<b>Total OE</b>	<b>0</b>	<b>0</b>	<b>4,900,000</b>	<b>4,900,000</b>	<b>0</b>	<b>0.0%</b>
<b>Totals</b>						
<b>Funding Types</b>						
General	0	0	0	0	0	0.0%
Federal	0	0	0	0	0	0.0%
Other	0	0	4,900,000	4,900,000	0	0.0%
<b>Total</b>	<b>0</b>	<b>0</b>	<b>4,900,000</b>	<b>4,900,000</b>	<b>0</b>	<b>0.0%</b>

### Other Fund Balances

Company and Fund Name	Blue Book Page			60-Month Average	Lowest Monthly Cash Balance in Past Five Years	
		FY2012	FY2013	Cash Balance	Amount	Month
Company 3016 - Employer's Investment in South Dakota's Future Fund	14	\$ 36,651,599	\$ 46,016,891	\$ 28,430,758	\$ 19,121,340	March 2009
Company 3178 - Energy Conservation Loan Special Revenue Fund	15	\$ 9,774,993	\$ 7,533,031	\$ 7,902,072	\$ 5,074,676	July 2008
Company 3178 - Other	16	\$ 343,147	\$ 520,592	\$ 326,221	\$ 93,427	November 2010
Company 3178 - Ethanol Infrastructure Incentive Fund	17	\$ 742,895	\$ 1,165,588	\$ 323,408	\$ (1,661)	January 2012
Company 3186 - Economic Development Partnership Fund	18		\$ 1,050,000	N/A	N/A	N/A
Company 3187 - Local Infrastructure Grant Fund	19		\$ 1,750,000	N/A	N/A	N/A
Company 3188 - SD Housing Opportunity Fund	20		\$ 2,094,750	N/A	N/A	N/A
Company 6510 - Revolving Economic Development and Initiative Fund	21	\$ 51,219,802	\$ 61,906,252	\$ 43,298,574	\$ 31,282,848	April 2009
Company 6518 - Science and Technology Authority	23	\$ 23,779,960	\$ 35,447,324	\$ 40,098,289	\$ 22,760,960	July 2012
Company 6527 - South Dakota Energy Infrastructure Authority	24	\$ 312	\$ 312	\$ 8,290	\$ 312	June 2009
Company 6529 - South Dakota Ellsworth Development Authority	25	\$ -	\$ -	\$ -	\$ -	July 2008
Company 9012 - Proof-of-Concept Fund	26		\$ 500,000	N/A	N/A	N/A

#Average cash balance and lowest cash balance are actually less than five years due to age of fund.

### FY15 One-time Special Appropriation

**Prefunding Building South Dakota:** The Governor is recommending \$30,000,000 in general funds to provide a \$10 million transfer each year to the Building South Dakota fund created by SB235 last session for FY15, FY16, and FY17, thus removing the need for ongoing funding for these years. SB235 requires 25% of the unclaimed property receipts in FY15 and 50% of the unclaimed property receipts in every year thereafter to be deposited into the Building South Dakota fund. If it is pre-funded now, it is protected from future fluctuations in unclaimed property. The funding would be available over the next several years and it will not compete for ongoing dollars with schools and providers during that time.

#### **Governor's Proposed Salary Policy**

For FY15, the Governor recommended the state employee compensation plan be distributed from a pool in the BFM. *Therefore, individual agency budgets do not reflect the changes for the compensation plan.*

**Salary policy is not available since data is not broken out for GOED – only have information on the entire Governor's Office.**

- Recommended FY15 - 3.0% PACE; 0%-4.5% Pay for Performance for Career Banding; 3% Across-the-Board/Market; 18.6% Health Insurance; Targeted compensation adjustments for a small number of hard-to-fill, below market vocational jobs.
- FY14 – 3.5% PACE; 0%-4.5% Pay for Performance for Career Banding; 3% Across-the-Board; 3.5%-4% Market Adjustment for Career Banding; 14.7% Health Insurance
- FY13 – 2.5% PACE; up to 7.0% Market Adjustment for Career Banding; 3% Across-the-Board; 3.3% Health Insurance.
- FY12 – 0% PACE; 0% Across-the-Board; 0% Health Insurance. One-time payment to permanent, non-probationary state employees equaling 5%, 3.4%, or 1.7% of the individual's annual salary depending on their longevity. (No increase to base in FY12.)
- FY11 – 0% PACE; 0% Across-the-Board; 6.3% Health Insurance
- FY10 – 0% PACE; 0% Across-the-Board; 0% Health Insurance

#### **Interagency Billings**

- ✓ **Data is not broken out so only have information on the Governor's Office as a whole so information for the Interagency Billings is not included.**

## 2 GOED Agenda

Wednesday, February 05, 2014  
7:14 AM



Governor's Office of Economic Development Budget Presentation Schedule

Thursday, February 6, 2014

8:00 a.m. – 8:25 a.m. South Dakota Housing Development Authority

8:25 a.m. – 9:10 a.m. South Dakota Science and Technology Authority

9:10 a.m. – 9:35 a.m. South Dakota Ellsworth Development Authority

9:35 a.m. – 10:00 a.m. Governor's Office of Economic Development



### 3 SURF - Sanford Underground Research Facility

Wednesday, February 05, 2014  
7:14 AM

Sanford Underground Research Facility

February 6, 2014



## Sanford Underground Research Facility Joint Appropriations Committee Update

**Mike Headley**  
Executive Director and Laboratory Director  
South Dakota Science and Technology Authority

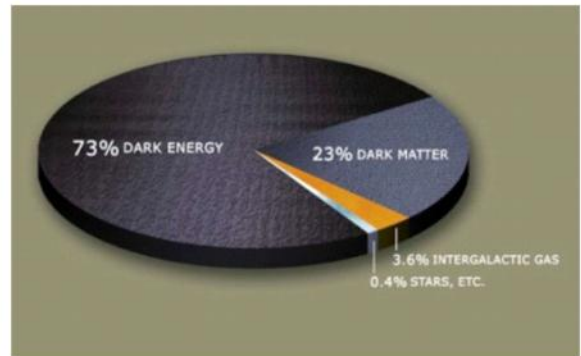
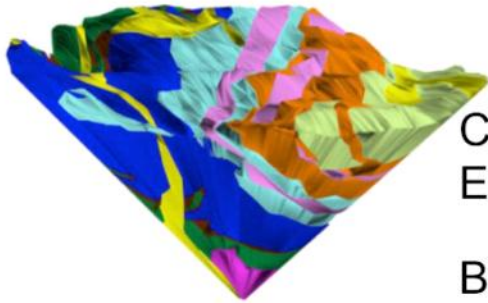


# Current Underground Science Program

Majorana Demonstrator:  
neutrinoless double-beta decay

$$0\nu\beta\beta$$

Large Underground Xenon (LUX):  
detection of dark matter

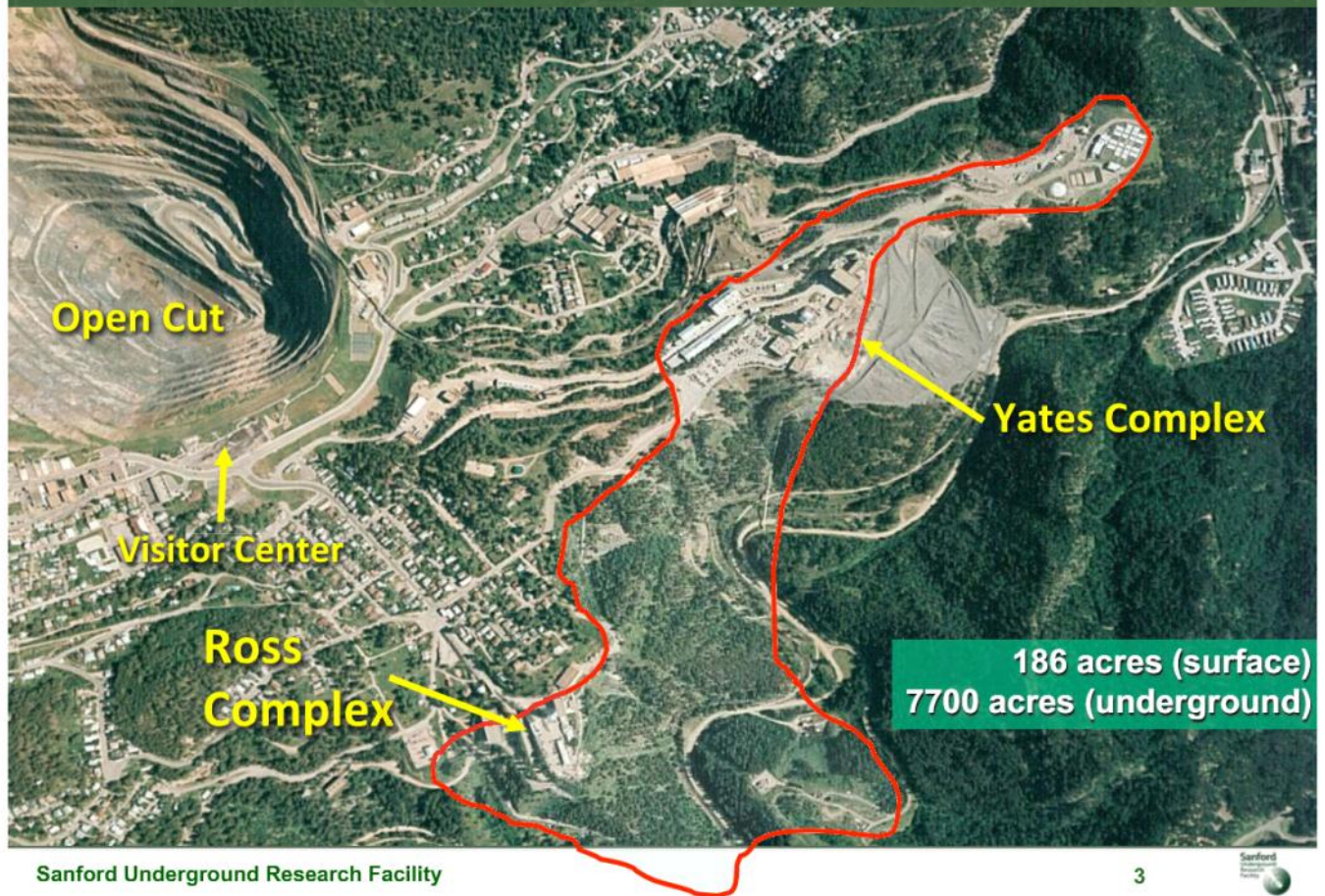


CUBED: Center for Ultra-Low Background  
Experiments in the Dakotas

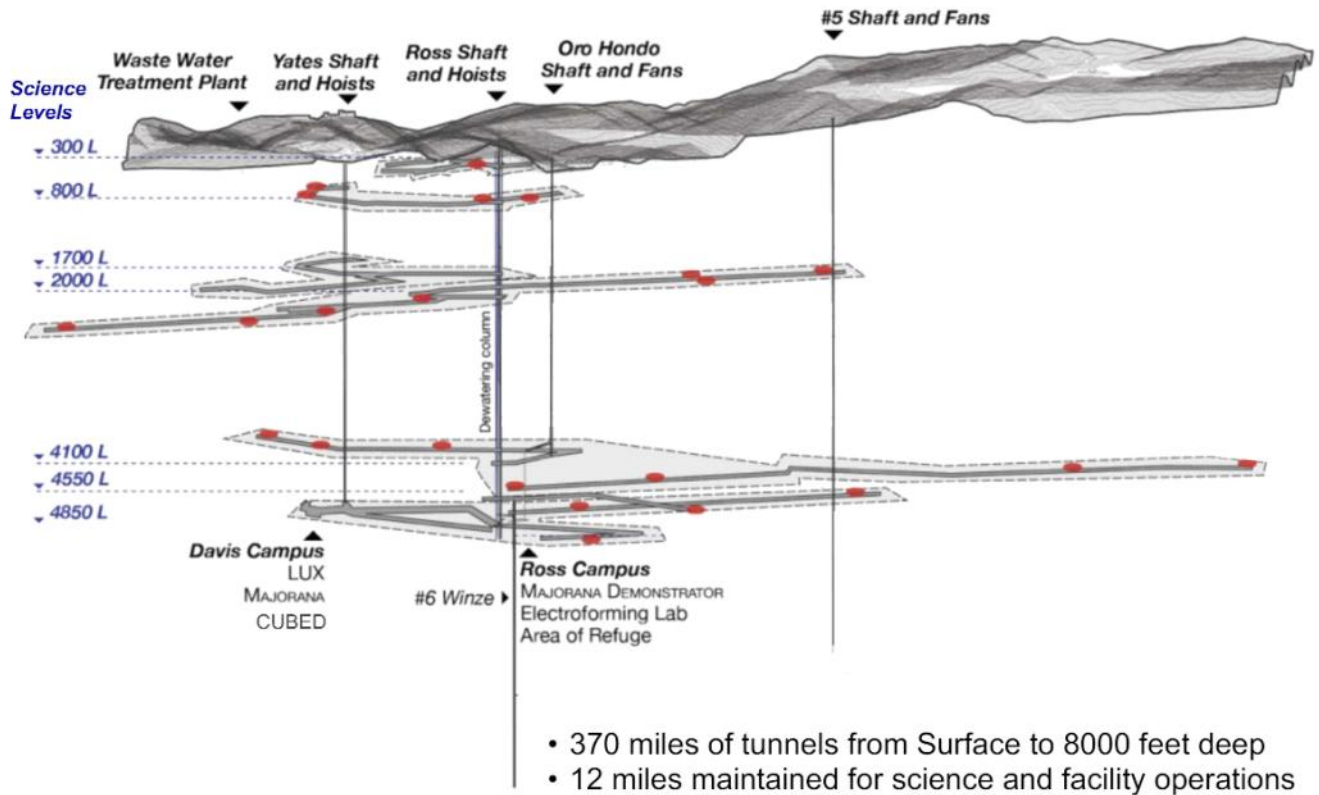
Biology, geology, engineering: the BGEs



# Sanford Underground Research Facility



# Underground Lab Geography





# Davis Campus Entrance on 4850L



Sanford Underground Research Facility

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# World's Deepest Clean-Room Machine Shop

Producing ultra-pure copper parts and shielding for MAJORANA

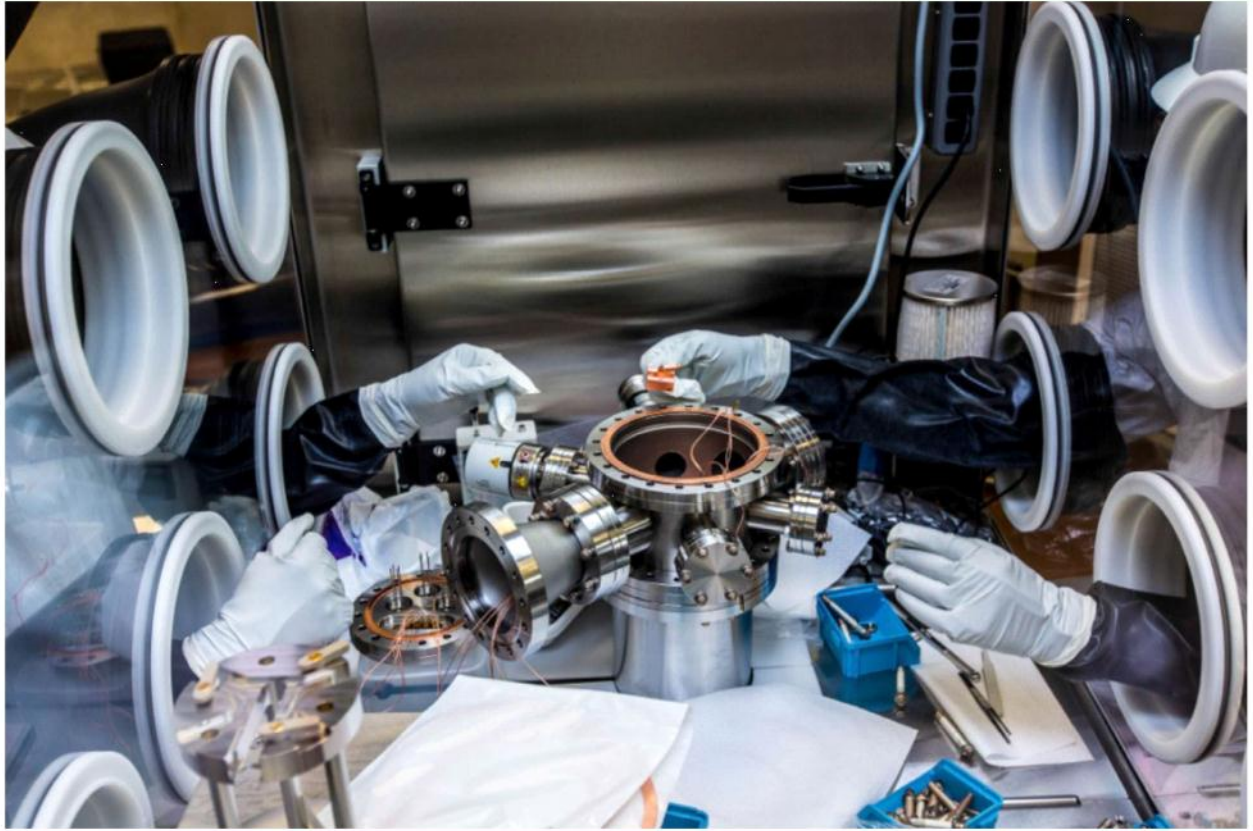


Sanford Underground Research Facility

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# MAJORANA Detector Assembly



Sanford Underground Research Facility

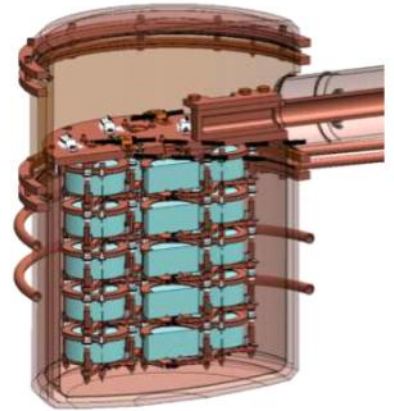
7





# MAJORANA Detector Shield Under Construction

Detector operations (i.e. data collection) to start in late 2014.



Sanford Underground Research Facility

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# LUX Installed in the Davis Cavern



Sanford Underground Research Facility

# LUX Detector Deployed in Water Shield Tank



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# World's Most Sensitive Dark Matter Experiment

## LUX First Results Announced on October 30<sup>th</sup> at Sanford Lab

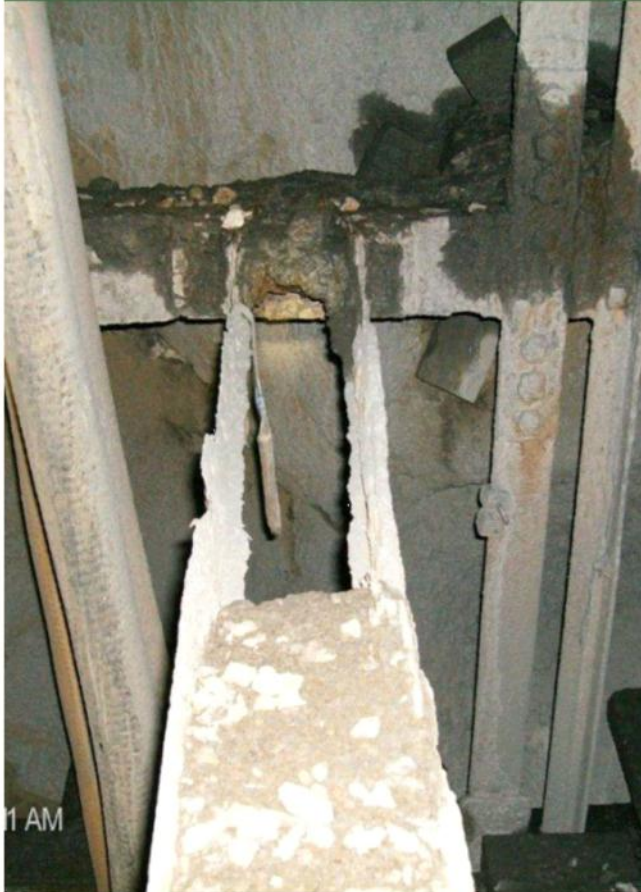


- LUX's initial 85-day run produced the first physics results for Sanford Lab!
- Event included Gov. Daugaard, DOE, NSF, SD congressional delegation reps, state legislators
- SDPB broadcasted event worldwide via the web
- LUX 300-day run planned to start mid-2014
- Next generation experiment called LUX-Zeplin (LZ) is competing for NSF and DOE funding. Announcement expected in spring 2014.



# Ross Shaft Refurbishment On Track

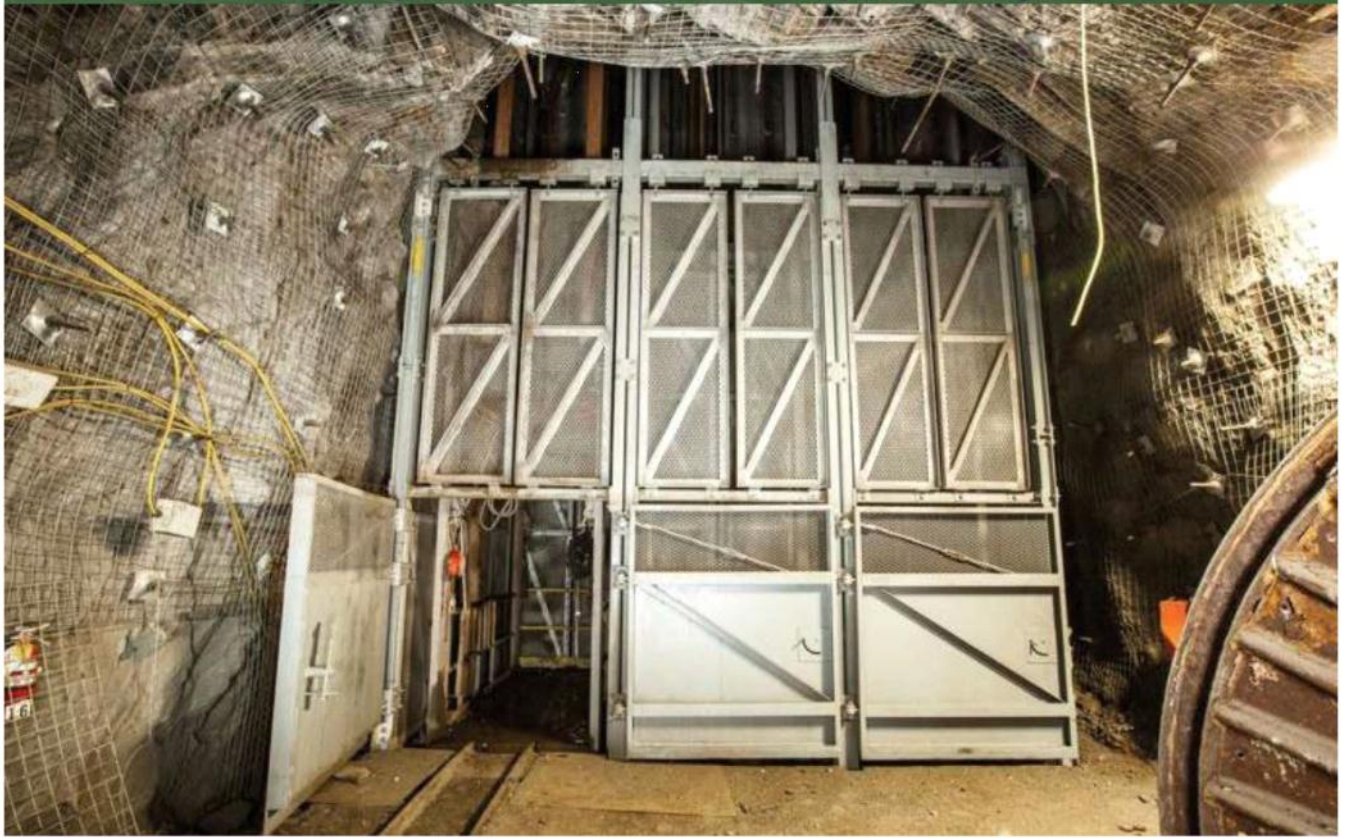
Completed from Surface to the 1,378' mark. Planning June 2017 finish.





# Ross Shaft – 800 Level Station

\$2M in FY14 appropriated funds will be expended by April 2014



Sanford Underground Research Facility



# Economic Impacts in South Dakota

<b>Spending in South Dakota to date</b>	<b>\$120M+</b>
---	----------------

<b>Annual total budget (all sources &amp; activities)</b>	<b>\$27.1M</b>
---	----------------

<b>Annual operations budget (DOE sponsored)</b>	<b>\$12.5M</b>
---	----------------

<b>Annual payroll in SD</b>	<b>\$12.1M</b>
-----------------------------	----------------

<b>Annual non-payroll expenses in SD</b>	<b>\$10.5M</b>
--	----------------

<b>Jobs in South Dakota</b>	<b>159</b>
-----------------------------	------------

<b>Active research groups</b>	<b>15</b>
-------------------------------	-----------

<b>Research groups with SD members</b>	<b>14</b>
--	-----------



Sanford Underground Research Facility

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# Education and Outreach Impacts

2008 through 2013

Students participating  
in programs 7,278

Teachers participating  
in programs 1,523

General public  
attending programs 13,000+



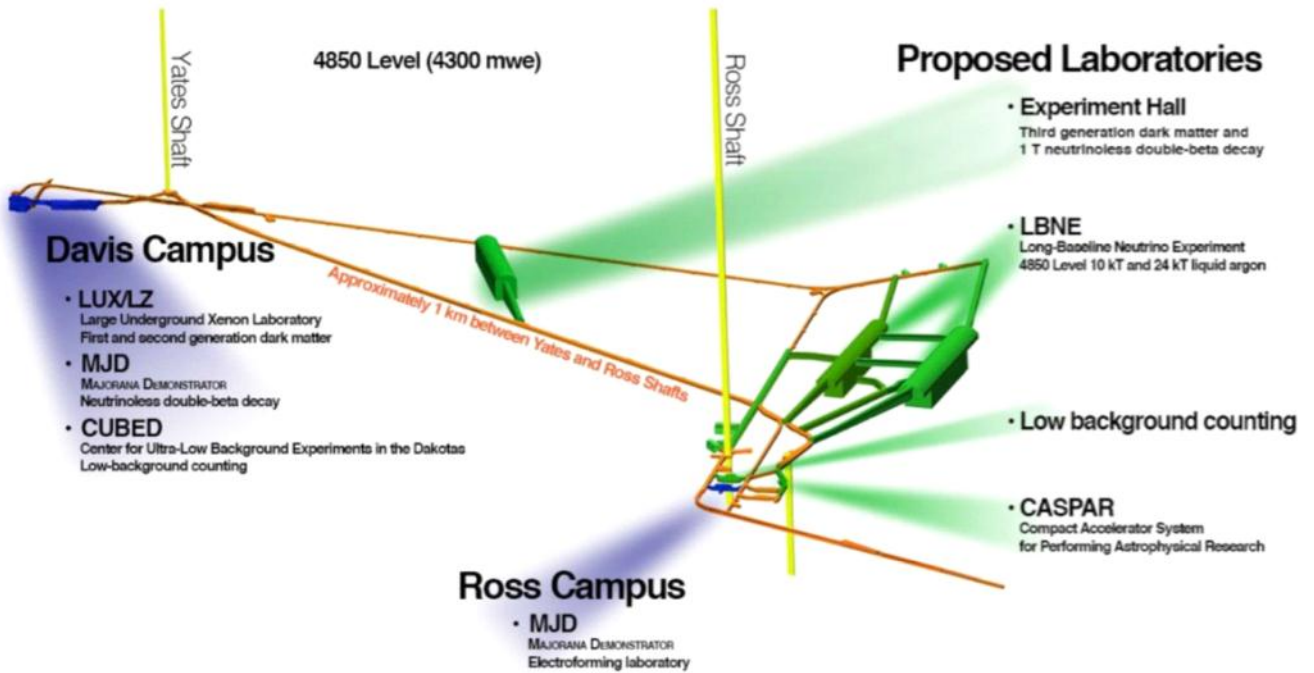
Sanford Underground Research Facility

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# Projected 4850L Science Laboratories

Protecting the investment in the facility. Extending its longevity.





# Education & Outreach – New Visitor Center

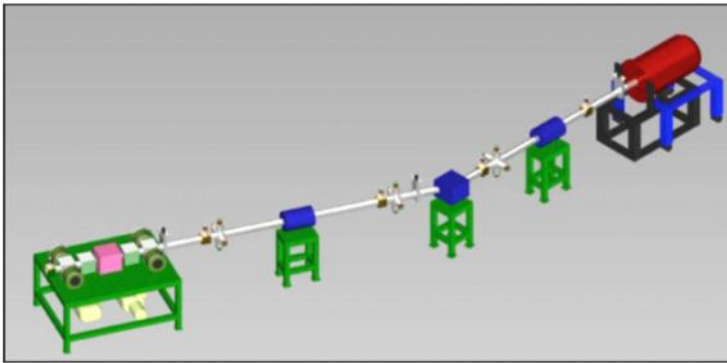
Sanford gift also enabling facility projects at BHSU and the Lab



Sanford Underground Research Facility

# Future Experiments: CASPAR

## Compact Accelerator System for Performing Astrophysical Research



- CASPAR is a new type of physics experiment planned for installation on 4850L at Sanford Lab
- Expands the lab's science program and facility infrastructure
- CASPAR Collaboration includes University of Notre Dame, SDSM&T, and Colorado School of Mines
- SDSM&T will operate CASPAR
- CASPAR will operate 10+ years—helping extend the lab's longevity
- SDSTA to rehabilitate underground space, and a construction contractor will outfit experiment facility in 2014
- Experiment installation and commissioning planned for 2015

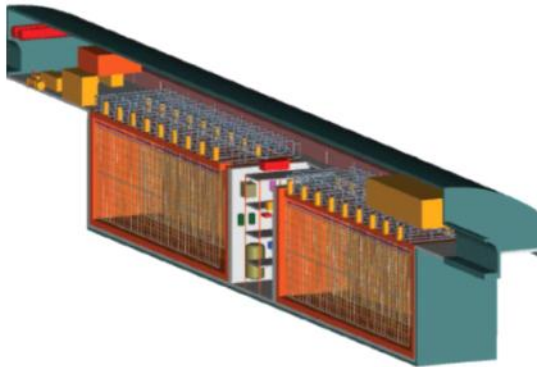
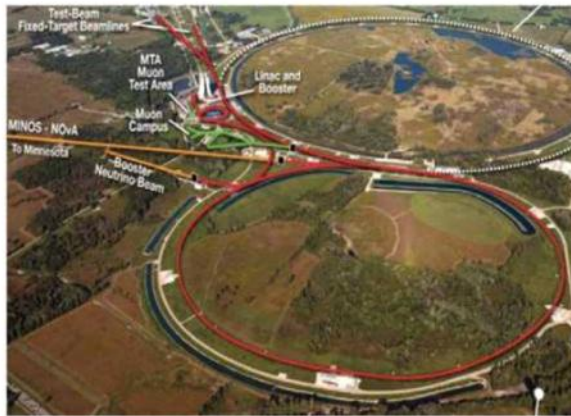
Sanford Underground Research Facility

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# Future Experiments: LBNE

## Long-Baseline Neutrino Experiment








- LBNE is a DOE project led by Fermilab
- LBNE Collaboration includes 80+ institutions and 450+ collaborators from around the world
- LBNE plans to construct a large liquid argon neutrino detector on 4850L at Sanford Lab
- SDSTA leading the design and construction efforts for LBNE facilities in SD.
- Construction cost estimated at ~\$275M including the experiment equipment.
- LBNE received \$26M in FY2014 DOE funds.
- Schedule
  - Geotechnical studies start - March 2014
  - Preliminary design start - September 2014
  - Facility construction start - late 2017

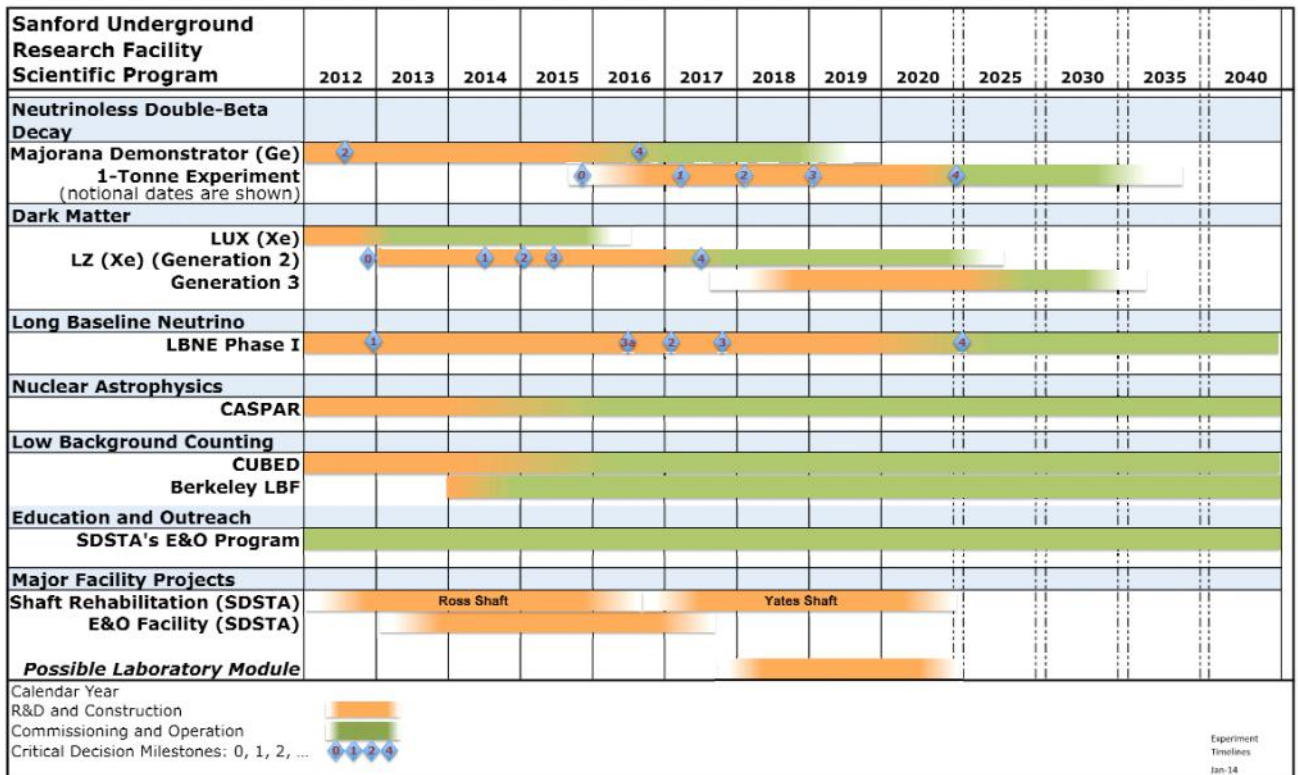


# Partnerships growing with SD Universities

## Leveraging Lab investments to benefit SD research and education

	BHSU	<ul style="list-style-type: none"> <li>• Joint Sanford Science Education Center including facility development.</li> <li>• BHSU leads Sanford Lab education and outreach activities.</li> </ul>
	DSU	<ul style="list-style-type: none"> <li>• DSU supports Sanford Lab information technology security program.</li> <li>• DSU leads theoretical physics conference (CETUP) in Black Hills.</li> </ul>
	SDSM&T	<ul style="list-style-type: none"> <li>• SDSM&amp;T and USD are lead SD institutions for physics PhD program.</li> <li>• Sanford Lab scientist enrolled in PhD program at SDSM&amp;T.</li> <li>• SDSM&amp;T faculty member leads on-site activities for Majorana.</li> </ul>
	SDSU	<ul style="list-style-type: none"> <li>• Site visit planned for spring 2014 to discuss collaborative activities.</li> </ul>
	USD	<ul style="list-style-type: none"> <li>• USD and SDSM&amp;T are lead SD institutions for physics PhD program.</li> <li>• Sanford Lab scientist enrolled in PhD program at USD.</li> <li>• USD leads CUBED collaboration with scientists on site at Sanford Lab.</li> </ul>

# Looking to the Future



## SURF Funding Commitments as of Jan 2014

### State Appropriated Funding\*

2004	\$14.3M
2005	\$19.9M
2010	\$5.4M
2014	\$2.0M

**Total \$41.6M**

\*\$12 million also in restricted  
accounts with state

### Other Funding

T. Denny Sanford	\$70.0M
HUD Grant	\$10.0M
NSF	\$80.3M
DOE	\$40.0M
LBNE (THROUGH 2017)	\$19.2M
Interest earnings	\$13.1M

**Total \$232.6M**

### Experiments

LUX	\$2.0M (+ \$2M/yr ops)
MAJORANA	\$22.0M (+ \$4M/yr ops)
LBNE	22.8M (ops TBD)

# **DOE Total SURF Operations Funding**

**Funds work at Lawrence Berkeley National Lab and Sanford Lab**

- **FY2012\* - \$11M (SDSTA allocation \$9.3M)**
- **FY2013 - \$14M (SDSTA allocation \$12.97M)**
- **FY2014 - \$15M (SDSTA allocation \$12.54M)**

**\*FY2012 was a transition year from NSF to DOE operations funds.  
NSF funded first four months due to a continuing resolution.**



## 4 Responses to Supplemental Questions - GOED

Wednesday, February 05, 2014  
7:15 AM

Joint Committee on Appropriations  
FY2015  
Governor's Office of Economic Development

In response to the Committee's questions as a supplement:

- i. What activities will your agency eliminate, initiate, or significantly change?

***Governor's Office of Economic Development (GOED):***

GOED is scaling back the Agricultural Processing & Export (APEX) program with the potential of completely eliminating the program in the years to come. The staff recently evaluated the APEX program as a whole including projected loan volume, upcoming balloon payments, debt owed to United States Department of Agriculture (USDA) through the Intermediary Relending Program (IRP), projected interest earnings, and expenses. As such, staff recommended to the Economic Development Finance Authority (EDFA) that it may be in EDFA's best interest to pay off some of the USDA debt early. EDFA paid off three loans totaling \$1,782,519. As of January 31, 2014, there are cash equivalents available of \$1,039,937 and funds available to advance from USDA and matching funds of \$627,530 for a total of \$1,667,467. There are loans approved not yet funded of \$261,500 and total owing to USDA of \$895,303. Staff continues to work with companies who have contacted GOED with interest in the program; however, the intent is to assist those companies through other GOED loan programs or refer them to one of the twenty other regional partners that offer the same funding through USDA's IRP.

The Governor's Office of Economic Development cancelled its contract with SDRC, Inc. on September 19, 2013, for the management and administration of the South Dakota Regional Center. This change has resulted in the office needing to fulfill the South Dakota Regional Center's duties from the projects which have already occurred (i.e. file annual I-924A reports with USCIS and facilitate the filing of any outstanding I-829s petitions). Additionally, the South Dakota Regional Center/GOED is currently working with one new business, Dakota Natural Meats, to utilize the EB-5 program. However, GOED is not and will not be involved in the direct marketing of the project or the recruitment of EB-5 investors for the project.

***South Dakota Housing Development Authority:***

- a. Neighborhood Stabilization Program (NSP) is a federal stimulus program and has a final disbursement deadline of March 14, 2014. While there will continue to be some repayment of program income for reallocation, this amount will be substantially less than original grant amounts. We will need to close out the NSP program, review proposed program income and revise what activities we want to focus on with the limited resources.
- b. Housing Opportunity Fund – Created in the 2013 Legislative Session under the Building South Dakota Fund. We have established the program rules and regulations and have completed the first round of applications and will be gearing up the administration of the program for this first round of funding and for future program funding.
- c. We are applying for funding in 2014 for the HUD 811 Program which would allow us to provide project based rental assistance to people with disabilities (we are going to

target people with Developmental Disabilities with a co-occurring mental disorder) who are receiving services from the Department of Human Services.

- d. We are implementing building standards for the Governor's House to make them more energy efficient saving utility costs for homeowners.

***South Dakota Science and Technology Authority:***

The Sanford gift agreement was amended in 2013 to provide an additional \$13M for facility infrastructure rehabilitation and \$7M for the development of education related facilities. Facility rehabilitation efforts will continue with the rehabilitation of the Ross Shaft to support future construction of the Long-Baseline Neutrino Experiment (LBNE) and the increased maintenance of the Yates Shaft to provide scientists safe underground access.

In FY15, we will be constructing additional laboratory space underground to host a new nuclear astrophysics experiment called the Compact Accelerator System Performing Astrophysical Research (CASPAR). Also, we will be constructing a new facility underground to perform low-background counting experiments. Education related facility construction is expected for Jonas Hall at Black Hill State University to support the training of teachers in Science, Technology, Engineering, and Math (STEM). Also, designs will be advanced for a new Sanford Lab Homestake Visitor Center in Lead, SD.

***South Dakota Ellsworth Development Authority:***

*Eliminate:* The Urban Training Center (Mock Village) was completed in FY2014. There are no current plans to expand the training center.

*Significantly Change:* The construction of the Regional Waste Water Treatment Plant, Sewer Interceptor Line, and Water Main should be completed by the end of FY2014 and will go into operation in FY 2015.

*Significantly Change:* The Willing Buyer / Willing Seller initiative may expand depending on the Department of Defense funding of the Readiness and Environmental Initiative (REPI) program.

- ii. What initiatives for improving efficiency of operations are planned in FY15?

***Governor's Office of Economic Development:***

The website is continually being updated and utilized to provide information to economic development groups, companies, and partners; such as, 2013's SB235 in creating the Building South Dakota Fund and those programs now available of South Dakota Jobs Grant Program, Local Infrastructure Improvement Program, and Economic Development Partnership Program.

***South Dakota Housing Development Authority:***

- a. Work on electronic application for HOME, Housing Tax Credit and Housing Opportunity Fund. In addition with electronic imaging to more efficiently create and retain program reports. For the First-time Homebuyer Program we would like to progress to a paperless file transmission from lenders. Also provide training opportunities and potential certification for contractors and companies for Energy Star requirements.
- b. Use electronic imaging to more efficiently create and retain program reports.

- c. Provide an opportunity for participating lenders in the First-time Homebuyer Program to submit loan files electronically.
- d. Provide training opportunities and potential certification for contractors and companies for Energy Star requirements.

***South Dakota Science and Technology Authority:***

We will implement additional facility systems to manage water inflows into the underground facility to limit their impact on science activity schedules and reduce operations costs. We will refine our maintenance management systems to include inventory management and control. It should be noted that all operating activities like water pumping are paid for by the Department of Energy.

***South Dakota Ellsworth Development Authority (SDEDA):***

SDEDA runs extremely efficiently with only contract personnel and minimal office expenses.

- iii. What are the standards of performance or metrics by which you judge the success and efficiencies of your agency's outcomes?

***Governor's Office of Economic Development:***

We use the following metrics to guide us in achieving our mission to maximize and leverage partnerships, generate new ideas, to develop businesses, to strengthen existing businesses, and to encourage additional investment in South Dakota:

- Number of new company leads.
- Formal Requests For Information from prospects.
- Detailed business cost comparisons.
- Hosting prospects to South Dakota communities.
- Formal incentive offerings/proposals extended.
- Company expansions or new locations.
- Company visits made for Retention & Expansion assistance.
- Community contacts made.
- Number of loans approved/funded.
- Number of jobs created/retained and trained.
- Economic impact of the total projects (including dollars leveraged).
- Number of grants awarded.
- Number of communities assisted.
- Number of research proposals.
- External funding received.
- Number of invention disclosures and licensing.
- Number of students and researchers supported.
- Number of collaborations with private sector companies and spin off businesses started.

See Governor's Budget Fiscal Year 2015 page 01-5 through 01-14 Performance Indicators.

***South Dakota Housing Development Authority:***

- a. Standards of performance for the Rental Housing Development Programs is based on whether we are able to allocate the available funds with appropriate geographic distribution, address issues or obstacles as they arise, and keep the programs efficient while ensuring quality product and less risk.
- b. Standards of performance for the Rental Housing Management Programs is based on the financial stability of the properties in our portfolio, the timeliness in which we make payments and respond to inquiries and complaints and the level of compliance that our team and the property management companies maintain.
- c. Standards of performance for the Homeownership Program is based on the number of First-time Homebuyer loans and approving as many Participating Lenders as possible for program distribution.

***South Dakota Science and Technology Authority:***

We track our performance using three approaches. First, we closely monitor the daily availability and safety of our facility to support underground science operations. Second, for projects such as the Ross Shaft rehabilitation and facility construction projects, we have developed detailed project schedules and milestones to plan and track our work. Finally, we have detailed budgets, monthly management reviews, and independent external technical and safety reviews to track performance through our contracts with the Department of Energy.

***South Dakota Ellsworth Development Authority:***

Progress toward securing the economic impact that Ellsworth Air Force Base has on the state of South Dakota including:

1. Strong working relationship with Ellsworth Air Force Base.
2. Completion of the Regional Waste Water Treatment Plant.
3. Improvement in compatible development surrounding Ellsworth Air Force Base.

- iv. What funds from FY14 are planned to be applied to FY15 activities? Are these amounts in addition to amounts contained in the Governor's FY15 budget:

***Governor's Office of Economic Development:***

None at this time.

***South Dakota Housing Development Authority:***

None at this time.

***South Dakota Science and Technology Authority:***

None at this time.

***South Dakota Ellsworth Development Authority:***

None at this time.



- v. What are your plans regarding amending the FY14 General Bill?

***Governor's Office of Economic Development:***

Increase in internal service rates.

***South Dakota Housing Development Authority:***

None

***South Dakota Science and Technology Authority:***

None

***South Dakota Ellsworth Development Authority:***

None

- vi. What programs and services offered by your agency have been, or will be affected by federal budget reductions due to the Budget Control Act of 2011 or other actions by the federal government? Were General Funds and/or Other Funds used to support the continuation of these programs or services?

***Governor's Office of Economic Development:***

There was no federal fund reductions received or any known of at this time.

***South Dakota Housing Development Authority:***

- a. Anticipate reduction in funding for Emergency Solutions Grants Program and Continuum of Care Program. Neither General Funds nor other funds were used to offset the reduction in federal funds.
- b. Changes are incurring at United State Department of Housing and Urban Development (HUD) which will include cuts for direct assistance to rental properties. HUD is also implementing new procedures for fewer management reviews that will ultimately impact level of compliance we see at the properties. Neither General Funds nor other funds were used to offset the reduction in federal funds.
- c. The First-time Homebuyer Program will be affected by the Dodd-Frank Act but to what extent is yet to be determined.

***South Dakota Science and Technology Authority:***

While the Budget Control Act did reduce U.S. Department of Energy funds available for the Sanford Underground Research Facility operations in Federal FY2013, the Lawrence Berkeley National Lab (LBNL) reduced contract overheads for our operations support contract with the U.S. Department of Energy to ensure our activities were not impacted. We expect to receive full funding in Federal FY2014 as included in the recent FY2014 Omnibus Appropriation.

***South Dakota Ellsworth Development Authority:***

Our task of improving compatible development surrounding Ellsworth Air Force Base is dependent upon the Department of Defense continuing to fund the Readiness and Environmental Initiative (REPI) Program.



# 5 GOAC Blue Book - FY13

Thursday, January 16, 2014  
7:06 AM

**Governors Office of Economic Development**  
**State Accounting System - Other Fund Balances**  
**Company 3016 - Employer's Investment in South Dakota's Future Fund**

	<b>FY2010</b>	<b>FY2011</b>	<b>FY2012</b>	<b>FY2013</b>
1 Cash Pooled with State Treasurer	26,282,503.34	28,015,422.07	36,651,599.29	46,016,890.95
2 Total Assets	26,282,503.34	28,015,422.07	36,651,599.29	46,016,890.95
3				
4 Accounts Payable	-	-	-	-
5 Total Liabilities	-	-	-	-
6				
7 Reserve for Encumbrances	-	-	-	5,000,000.00
8 Unreserved Fund Balance	26,282,503.34	28,015,422.07	36,651,599.29	41,016,890.95
9 Total Fund Equity	26,282,503.34	28,015,422.07	36,651,599.29	46,016,890.95
10 Total Liabilities and Fund Equity	26,282,503.34	28,015,422.07	36,651,599.29	46,016,890.95
11				
12				
13 Taxes	11,514,118.03	12,400,469.23	13,470,088.36	14,021,401.87
14 Use of Money and Property	951,150.54	1,181,762.39	894,599.33	708,738.34
15 Sales and Services	-	-	-	-
16 Other Revenue	7,158.33	-	1,640,000.00	450,000.00
17 Total Operating Revenue	12,472,426.90	13,582,231.62	16,004,687.69	15,180,140.21
18				
19 Personal Services and Benefits	-	-	-	-
20 Travel	-	-	-	-
21 Contractual Services	-	-	-	-
22 Supplies and Materials	-	-	-	-
23 Grants and Subsidies	9,722,618.30	11,402,871.77	7,368,510.47	7,814,848.55
24 Capital Outlay	-	-	-	-
25 Total Operating Expenditures/Expenses	9,722,618.30	11,402,871.77	7,368,510.47	7,814,848.55
26				
27 Transfers In	-	-	-	2,000,000.00
28 Transfers Out	(63,345.46)	(446,441.12)	-	-
29 Net Transfers In (Out)	(63,345.46)	(446,441.12)	-	2,000,000.00
30				
31 Net Change	2,686,463.14	1,732,918.73	8,636,177.22	9,365,291.66
32				
33 Beginning Fund Equity	23,596,040.20	26,282,503.34	28,015,422.07	36,651,599.29
34 Prior Period Adjustment	-	-	-	-
35 Ending Equity	26,282,503.34	28,015,422.07	36,651,599.29	46,016,890.95

**Company:** 3016

**Company Name:** Employer's Investment in South Dakota's Future Fund

**Fund Name:** Employer's Investment in South Dakota's Future Fund

**Fund Type:** Special Revenue

**Purpose:** SDCL 61-5-29.1 created the Employer's Investment in South Dakota's Future Fund. Source: Monies From an "investment fee" based on employer wages (61-5-29). Use: To be used for purposes related to research and economic development for the state (61-5-29.1).

**Budget Information:** Included in the General Appropriations Bill.



**Governors Office of Economic Development**  
**State Accounting System - Other Fund Balances**  
**Company 3178 - Energy Conservation Loan Special Revenue Fund**

	<b>FY2010</b>	<b>FY2011</b>	<b>FY2012</b>	<b>FY2013</b>
1 Cash Pooled with State Treasurer	6,331,943.59	9,306,799.23	9,774,993.25	7,533,031.35
2 Loans and Notes Receivable	237,662.38	225,929.38	130,684.58	2,717,267.91
3 Advances to Other Funds	4,010,851.52	1,365,288.00	1,183,860.00	1,002,432.00
4 Total Assets	10,580,457.49	10,898,016.61	11,089,537.83	11,252,731.26
5				
6 Accounts Payable	-	-	-	-
7 Total Liabilities	-	-	-	-
8				
9 Reserve for Encumbrances	-	-	-	-
10 Unreserved Fund Balance	10,580,457.49	10,898,016.61	11,089,537.83	11,252,731.26
11 Total Fund Equity	10,580,457.49	10,898,016.61	11,089,537.83	11,252,731.26
12 Total Liabilities and Fund Equity	10,580,457.49	10,898,016.61	11,089,537.83	11,252,731.26
13				
14				
15 Fines, Forfeits and Penalties	-	-	-	-
16 Use of Money and Property	282,762.00	317,559.12	275,033.02	238,587.09
17 Administering Programs	-	-	-	-
18 Total Operating Revenue	282,762.00	317,559.12	275,033.02	238,587.09
19				
20 Personal Services and Benefits	-	-	-	24,291.91
21 Travel	-	-	-	905.23
22 Contractual Services	-	-	-	494.01
23 Supplies and Materials	-	-	-	-
24 Grants and Subsidies	-	-	-	-
25 Capital Outlay	-	-	-	74.80
26 Bad Debts Expense	-	-	83,511.80	-
27 Total Operating Expenditures/Expenses	-	-	83,511.80	25,765.95
28				
29 Transfers In	-	-	-	-
30 Transfers Out	-	-	-	-
31 Net Transfers In (Out)	-	-	-	-
32				
33 Net Change	282,762.00	317,559.12	191,521.22	212,821.14
34				
35 Beginning Fund Equity	10,297,695.49	10,580,457.49	10,898,016.61	11,089,537.83
36 Prior Period Adjustment	-	-	-	(49,627.71)
37 Ending Equity	10,580,457.49	10,898,016.61	11,089,537.83	11,252,731.26

**Company:** 3178

**Company Name:** Energy Conservation Fund

**Fund Name:** Energy Conservation Loan Special Revenue Fund

**Fund Type:** Special Revenue

**Purpose:** SDCL 1-33B-18 created the Energy Conservation Loan Special Revenue Fund. Source: Created in FY83 to account for oil overcharge monies distributed to the state from the U.S. Department of Energy. Uses: Making loans, leases or grants for energy conservation. Any money in the conservation fund is continuously appropriated.

**Budget Information:** Included in the General Appropriations Bill.

**Governors Office of Economic Development**  
**State Accounting System - Other Fund Balances**  
**Company 3178 - GOED Special Revenue Fund**

	<b>FY2010</b>	<b>FY2011</b>	<b>FY2012</b>	<b>FY2013</b>
1 Cash Pooled with State Treasurer	186,995.69	191,207.41	343,146.65	520,591.75
2 Total Assets	186,995.69	191,207.41	343,146.65	520,591.75
3				
4 Accounts Payable	-	-	-	-
5 Total Liabilities	-	-	-	-
6				
7 Reserve for Encumbrances	-	-	5,000,000.00	5,000,000.00
8 Unreserved Fund Balance	186,995.69	191,207.41	(4,656,853.35)	(4,479,408.25)
9 Total Fund Equity	186,995.69	191,207.41	343,146.65	520,591.75
10 Total Liabilities and Fund Equity	186,995.69	191,207.41	343,146.65	520,591.75
11				
12				
13 Use of Money and Property	-	-	-	-
14 Sales and Services	99,505.35	117,760.85	169,644.61	222,302.30
15 Other Revenue	274,915.52	187,743.77	250,961.58	344,465.86
16 Total Operating Revenue	374,420.87	305,504.62	420,606.19	566,768.16
17				
18 Personal Services and Benefits	-	-	4.14	8.96
19 Travel	4,471.42	33,052.54	22,748.73	48,612.59
20 Contractual Services	340,422.29	199,006.70	188,363.37	275,673.22
21 Supplies and Materials	80,018.64	64,605.35	58,602.74	63,428.29
22 Grants and Subsidies	-	-	-	-
23 Capital Outlay	-	-	-	-
24 Total Operating Expenditures/Expenses	424,912.35	296,664.59	269,718.98	387,723.06
25				
26 Transfers In	-	-	1,052.03	-
27 Transfers Out	-	(4,628.31)	-	(1,600.00)
28 Net Transfers In (Out)	-	(4,628.31)	1,052.03	(1,600.00)
29				
30 Net Change	(50,491.48)	4,211.72	151,939.24	177,445.10
31				
32 Beginning Fund Equity	237,487.17	186,995.69	191,207.41	343,146.65
33 Ending Equity	186,995.69	191,207.41	343,146.65	520,591.75

**Company:** 3178

**Company Name:** Energy Conservation Fund

**Fund Name:** GOED Special Revenue Fund

**Fund Type:** Special Revenue

Purpose: SDCL 1-53-7 authorized the Governor's Office of Economic Development to accept private contributions to supplement other money received by it. Contributions received shall be deposited with the state treasurer and in a fund known as the Governor's Office of Economic Development special revenue fund. Use: The fund shall be used for legitimate purposes of soliciting industry and carrying into effect the objectives of the Governor's Office of Economic Development.

**Budget Information:** Not included in the General Appropriations Bill.

**Additional Information:**

The \$5 million encumbrance reported in FY2012 and FY2013 is associated with the S.D. Wins program appropriated in 2012 Senate Bill 68.

**Governor's Office of Economic Development**  
**State Accounting System - Other Fund Balances**  
**Company 3178 - Ethanol Infrastructure Incentive Fund**

	<b>FY2012</b>	<b>FY2013</b>
1 Cash Pooled with State Treasurer	742,895.32	1,165,587.58
2 Total Assets	742,895.32	1,165,587.58
3		
4 Accounts Payable	-	-
5 Total Liabilities	-	-
6		
7 Reserve for Encumbrances	-	-
8 Unreserved Fund Balance	742,895.32	1,165,587.58
9 Total Fund Equity	742,895.32	1,165,587.58
10 Total Liabilities and Fund Equity	742,895.32	1,165,587.58
11		
12		
13 Use of Money and Property	-	-
14 Sales and Services	-	-
15 Other Revenue	-	-
16 Total Operating Revenue	-	-
17		
18 Personal Services and Benefits	10,076.67	7,095.30
19 Travel	309.61	-
20 Contractual Services	1,242.47	410.37
21 Supplies and Materials	475.93	-
22 Grants and Subsidies	245,000.00	569,802.07
23 Capital Outlay	-	-
24 Total Operating Expenditures/Expenses	257,104.68	577,307.74
25		
26 Transfers In	1,000,000.00	1,000,000.00
27 Transfers Out	-	-
28 Net Transfers In (Out)	1,000,000.00	1,000,000.00
29		
30 Net Change	742,895.32	422,692.26
31		
32 Beginning Fund Equity	-	742,895.32
33 Ending Equity	742,895.32	1,165,587.58

**Company:** 3178

**Company Name:** Energy Conservation Fund

**Fund Name:** Ethanol Infrastructure Incentive Fund

**Fund Type:** Special Revenue

**Purpose:** SDCL 10-47B-164.1 established the Ethanol Infrastructure Incentive Fund. Source: SDCL 10-47B-164 authorized the transfer from the Ethanol Fuel Fund of \$1 million in FY2012 and FY2013 and \$500,000 in FY2014 through FY2016. Use: To provide incentive grants for the purchase and installation of blender pumps or pumps that dispense gasoline containing up to and including eighty-five percent ethanol; to provide incentive grants to encourage the purchase of flex fuel vehicles; to encourage the increased use of ethanol in South Dakota; and, to otherwise encourage the installation of infrastructure related to sale and distribution of ethanol. Any money in the ethanol infrastructure incentive fund is continuously appropriated.

**Budget Information:** Included in the General Appropriations Bill.

**Governor's Office of Economic Development**  
**State Accounting System - Other Fund Balances**  
**Company 3186 - Economic Development Partnership Fund**

	<b>FY2013</b>
1 Cash Pooled with State Treasurer	<u>1,050,000.00</u>
2 Total Assets	<u>1,050,000.00</u>
3	
4 Accounts Payable	-
5 Total Liabilities	-
6	
7 Reserve for Encumbrances	-
8 Unreserved Fund Balance	<u>1,050,000.00</u>
9 Total Fund Equity	<u>1,050,000.00</u>
10 Total Liabilities and Fund Equity	<u>1,050,000.00</u>
11	
12	
13 Use of Money and Property	-
14 Sales and Services	-
15 Other Revenue	-
16 Total Operating Revenue	-
17	
18 Personal Services and Benefits	-
19 Travel	-
20 Contractual Services	-
21 Supplies and Materials	-
22 Grants and Subsidies	-
23 Capital Outlay	-
24 Total Operating Expenditures/Expenses	-
25	
26 Transfers In	1,050,000.00
27 Transfers Out	-
28 Net Transfers In (Out)	<u>1,050,000.00</u>
29	
30 Net Change	1,050,000.00
31	
32 Beginning Fund Equity	-
33 Ending Equity	<u>1,050,000.00</u>

**Company:** 3186

**Company Name:** Economic Development Partnership Fund

**Fund Name:** Economic Development Partnership Fund

**Fund Type:** Special Revenue

**Purpose:** SDCL 1-16G-51 created the Economic Development Partnership Fund. Source: Per § 1-16G-48, this fund will receive 15% of the disbursements from the Building South Dakota Fund. Use: To be used for grants awarded by the Board of Economic Development to any nonprofit development corporation, municipality, county, or other political subdivision of this state on a matching basis as provided in §§ 1-16G-52 and 1-16G-53. The awards from fund may be for new staff, or elevate existing part-time staff and equipment and training needs for the purpose of developing or expanding local, community, and economic development programs. The board may also award funds from the fund to commence or replenish a local revolving loan fund for the purpose of developing or expanding housing, community, and economic development programs. Areas of emphasis for funding include creating high quality employment opportunities, repopulation, stronger economies, housing development, business growth, support of entrepreneurship, and job creation, expansion, and retention. Any money in the Economic Development Partnership Fund is continuously appropriated.

**Budget Information:** This fund will be included in the General Appropriations Bill as an informational budget.



**Governor's Office of Economic Development**  
**State Accounting System - Other Fund Balances**  
**Company 3187 - Local Infrastructure Improvement Grant Fund**

	<b>FY2013</b>
1 Cash Pooled with State Treasurer	<u>1,750,000.00</u>
2 Total Assets	<u>1,750,000.00</u>
3	
4 Accounts Payable	-
5 Total Liabilities	-
6	
7 Reserve for Encumbrances	-
8 Unreserved Fund Balance	<u>1,750,000.00</u>
9 Total Fund Equity	<u>1,750,000.00</u>
10 Total Liabilities and Fund Equity	<u>1,750,000.00</u>
11	
12	
13 Use of Money and Property	-
14 Sales and Services	-
15 Other Revenue	-
16 Total Operating Revenue	-
17	
18 Personal Services and Benefits	-
19 Travel	-
20 Contractual Services	-
21 Supplies and Materials	-
22 Grants and Subsidies	-
23 Capital Outlay	-
24 Total Operating Expenditures/Expenses	-
25	
26 Transfers In	1,750,000.00
27 Transfers Out	-
28 Net Transfers In (Out)	<u>1,750,000.00</u>
29	
30 Net Change	1,750,000.00
31	
32 Beginning Fund Equity	-
33 Ending Equity	<u>1,750,000.00</u>

**Company:** 3187

**Company Name:** Local Infrastructure Improvement Grant Fund

**Fund Name:** Local Infrastructure Improvement Grant Fund

**Fund Type:** Special Revenue

**Purpose:** SDCL 1-16G-50 created the Local Infrastructure Improvement Grant Fund. Source: Per § 1-16G-48, this fund will receive 25% of the disbursements from the Building South Dakota Fund. Use: To be used for grants awarded by the Board of Economic Development to any political subdivision of this state or local development corporation to construct or reconstruct infrastructure for the purpose of serving an economic development project. The board shall consult state agencies to evaluate the feasibility and merits of the proposed infrastructure improvements. The board shall consider the funding mechanisms available to and utilized by the applicant when making a decision to award a grant. Interest earned on money in the fund shall be deposited into the fund. Any money deposited into and distributed from the fund shall be set forth in an informational budget.

**Budget Information:** This fund will be included in the General Appropriations Bill as an informational budget.

**Governor's Office of Economic Development**  
**State Accounting System - Other Fund Balances**  
**Company 3188 - S.D. Housing Opportunity Fund**

	<b>FY2013</b>
1 Cash Pooled with State Treasurer	<u>2,094,750.00</u>
2 Total Assets	<u>2,094,750.00</u>
3	
4 Accounts Payable	-
5 Total Liabilities	-
6	
7 Reserve for Encumbrances	-
8 Unreserved Fund Balance	<u>2,094,750.00</u>
9 Total Fund Equity	<u>2,094,750.00</u>
10 Total Liabilities and Fund Equity	<u>2,094,750.00</u>
11	
12	
13 Use of Money and Property	-
14 Sales and Services	-
15 Other Revenue	<u>344,750.00</u>
16 Total Operating Revenue	<u>344,750.00</u>
17	
18 Personal Services and Benefits	-
19 Travel	-
20 Contractual Services	-
21 Supplies and Materials	-
22 Grants and Subsidies	-
23 Capital Outlay	-
24 Total Operating Expenditures/Expenses	-
25	
26 Transfers In	1,750,000.00
27 Transfers Out	-
28 Net Transfers In (Out)	<u>1,750,000.00</u>
29	
30 Net Change	2,094,750.00
31	
32 Beginning Fund Equity	-
33 Ending Equity	<u>2,094,750.00</u>

**Company:** 3188

**Company Name:** S.D. Housing Opportunity Fund

**Fund Name:** S.D. Housing Opportunity Fund

**Fund Type:** Special Revenue

**Purpose:** SDCL 11-13-2 created the South Dakota Housing Opportunity Fund . Source: Per § 1-16G-48, this fund will receive 25% of the disbursements from the Building South Dakota Fund. Use: The fund will be administered by the South Dakota Housing Development Authority for the purpose of preserving and expanding sustainable, affordable, and safe housing that is targeted to low and moderate income families and individuals in South Dakota. Per § 11-13-5 the fund may be used to provide a grant, loan, loan guarantee, loan subsidy and other financial assistance to an eligible applicant. Money from the fund may be used to build, buy, and or rehabilitate affordable housing for rent or home ownership, including single family and multifamily housing. The eligible fund activities include affordable housing projects that consist of new construction or the purchase of rental or home ownership housing, substantial or moderate rehabilitation of rental or home ownership housing, housing preservation, including home repair grants and grants to make homes more accessible to individuals with disabilities, homelessness prevention activities, as well as a community land trust. No more than ten percent of the funds awarded may be used for the administrative costs of any entity that has received funding from the fund. Any money in the fund is continuously appropriated. Any money deposited into and distributed from the fund shall be set forth in an informational budget.

**Budget Information:** This fund will be included in the General Appropriations Bill as an informational budget.

**Governor's Office of Economic Development**  
**State Accounting System - Other Fund Balances**  
**Company 6510 - Revolving Economic Development and Initiative Fund**

	FY2010	FY2011	FY2012	FY2013
1 Cash Pooled with State Treasurer	37,036,700.46	42,875,653.94	51,219,802.14	61,906,252.08
2 Loans and Notes Receivable	52,970,490.14	49,882,961.56	48,044,433.68	41,989,470.42
3 Total Assets	90,007,190.60	92,758,615.50	99,264,235.82	103,895,722.50
4				
5 Accounts Payable	-	-	-	-
6 Total Liabilities	-	-	-	-
7				
8 Reserve for Encumbrances	303.11	3,714.62	-	-
9 Unreserved Fund Balance	90,006,887.49	92,754,900.88	99,264,235.82	103,895,722.50
10 Total Fund Equity	90,007,190.60	92,758,615.50	99,264,235.82	103,895,722.50
11 Total Liabilities and Fund Equity	90,007,190.60	92,758,615.50	99,264,235.82	103,895,722.50
12				
13				
14 Taxes	147,776.12	135,853.26	135,000.00	135,000.00
15 Use of Money and Property	3,208,541.68	3,261,884.28	2,679,586.02	2,503,563.02
16 Sales and Services	113,883.00	32,955.56	122,978.49	60,553.81
17 Other Revenue	-	-	2,500,000.00	990,000.00
18 Total Operating Revenue	3,470,200.80	3,430,693.10	5,437,564.51	3,689,116.83
19				
20 Personal Services and Benefits	414,115.53	369,096.58	385,893.21	391,016.51
21 Travel	21,371.83	12,757.52	17,079.94	11,799.01
22 Contractual Services	256,913.62	249,333.15	268,490.62	285,062.42
23 Supplies and Materials	7,781.68	6,554.46	9,089.06	12,480.79
24 Grants and Subsidies	79,943.89	46,480.29	42,672.02	25,565.18
25 Capital Outlay	91.96	-	3,714.62	7,885.16
26 Bad Debts Expense	0.10	-	5,847.97	669,635.03
27 Total Operating Expenditures/Expenses	780,218.61	684,222.00	732,787.44	1,403,444.10
28				
29 Transfers In	-	-	2,000,000.00	2,350,000.00
30 Transfers Out	-	-	-	-
31 Net Transfers In (Out)	-	-	2,000,000.00	2,350,000.00
32				
33 Net Change	2,689,982.19	2,746,471.10	6,704,777.07	4,635,672.73
34				
35 Beginning Fund Equity	86,864,642.26	90,007,190.60	92,758,615.50	99,264,235.82
36 Prior Period Adjustment	452,566.15	4,953.80	(199,156.75)	(4,186.05)
37 Ending Equity	90,007,190.60	92,758,615.50	99,264,235.82	103,895,722.50

**Company:** 6510

**Company Name:** Governors Office - Enterprise

**Fund Name:** Revolving Economic Development and Initiative Fund

**Fund Type:** Enterprise

**Purpose:** SDCL 1-16G-3 created the Revolving Economic Development and Initiative Fund. Source: The amount resulting from a temporary one percent tax increase; interest earned on loans. Per § 1-16G-48, this fund will receive 15% of the disbursements from the Building South Dakota Fund. Use: Created to make grants and loans for economic development. SDCL 1-16G-24 - Earnings can be used for administrative costs of the division of finance in the Governor's Office of Economic Development. SDCL 1-16G-5 - Can make loans to Economic Development Finance Authority (EDFA). Any excess in the capital reserve fund of the EDFA or export development authority, on June 30th of each year, shall revert to the revolving economic development and initiative fund for the purpose of principal and interest reduction. The monies provided by the Building South Dakota Fund are to be used for grants to projects that have a total project cost of less than twenty million dollars.

Senate Bill 196 of the 2011 Session revised 10-47B-162 and authorized the transfer from the Ethanol Fuel Fund to:  
- The Ethanol Infrastructure Incentive Fund, \$1 million in FY2012 and FY2013 and \$500,000 in FY2014 through FY2016.  
- The Economic Development and Initiative Fund, \$2 million in FY2012 through FY2016.

SDCL 1-16G-25 created the Value Added Agriculture Subfund within the Revolving Economic Development and Initiative Fund. Source: \$3 million designated from the Revolving Economic Development and Initiative Fund. SDCL 10-47B-149 provides that each July \$135,000 shall be transferred from the amount of motor fuel tax collected from the motor fuel used for nonhighway purposes to the Value Added Agriculture Subfund. Use: The purpose of the subfund is to make grants or loans for agricultural development, feasibility studies, or marketing.

**Governor's Office of Economic Development**  
**State Accounting System - Other Fund Balances**  
**Company 6510 - Revolving Economic Development and Initiative Fund**

**Budget Information:** Administrative costs are Included in the General Appropriations Bill.

**Additional Information:**

The Value Added Agriculture Subfund was moved to the Dept. of Agriculture effective FY2014 by Ch. 192 of the 2013 Legislative Session.



**Governor's Office of Economic Development**  
**State Accounting System - Other Fund Balances**  
**Company 6518 - Science and Technology Authority**

	<b>FY2010</b>	<b>FY2011</b>	<b>FY2012</b>	<b>FY2013</b>
1 Cash Pooled with State Treasurer	43,401,160.72	33,482,709.96	23,779,959.56	35,447,323.53
2 Total Assets	43,401,160.72	33,482,709.96	23,779,959.56	35,447,323.53
3				
4 Accounts Payable	-	-	-	-
5 Total Liabilities	-	-	-	-
6				
7 Unreserved Fund Balance	43,401,160.72	33,482,709.96	23,779,959.56	35,447,323.53
8 Total Fund Equity	43,401,160.72	33,482,709.96	23,779,959.56	35,447,323.53
9 Total Liabilities and Fund Equity	43,401,160.72	33,482,709.96	23,779,959.56	35,447,323.53
10				
11				
12 Use of Money and Property	2,209,241.07	2,287,274.24	1,444,579.60	763,904.97
13 Other Revenue	20,000,000.00	-	-	15,000,000.00
14 Total Operating Revenue	22,209,241.07	2,287,274.24	1,444,579.60	15,763,904.97
15				
16 Personal Services and Benefits	-	-	-	-
17 Travel	-	-	-	-
18 Contractual Services	765,342.00	585,064.00	483,004.87	-
19 Supplies and Materials	-	-	-	-
20 Grants and Subsidies	23,010,384.00	17,020,661.00	10,664,325.13	4,096,541.00
21 Capital Outlay	-	-	-	-
22 Total Operating Expenditures/Expenses	23,775,726.00	17,605,725.00	11,147,330.00	4,096,541.00
23				
24 Transfers In	-	5,400,000.00	-	-
25 Transfers Out	-	-	-	-
26 Net Transfers In (Out)	-	5,400,000.00	-	-
27				
28 Net Change	(1,566,484.93)	(9,918,450.76)	(9,702,750.40)	11,667,363.97
29				
30 Beginning Fund Equity	44,967,645.65	43,401,160.72	33,482,709.96	23,779,959.56
31 Ending Equity	43,401,160.72	33,482,709.96	23,779,959.56	35,447,323.53

**Company:** 6518

**Company Name:** Science & Technology Authority (STA)

**Fund Name:** Science and Technology Authority

**Fund Type:** Component Unit – Business Type

**Purpose:** SDCL 1-16H-4 created the South Dakota Science and Technology Authority as a body corporate and politic. Source: The SDSTA received \$13,623,068, \$670,546 and \$20,633,176 in General Funds in FY2004, FY2005 and FY2006, respectively, and, \$5,400,000 from various non-General funds in FY2011. Of the \$20,633,176 received in FY2006, \$19,887,630 was initially transferred to the General Fund from the Property Tax Reduction Fund. The SDSTA also received a federal HUD grant that was used to maintain the physical integrity of the mine and has received \$35 million from Mr. T. Denny Sanford. Uses: To foster and facilitate scientific and technological investigation, experimentation, and development by creating a mechanism through which laboratory, experimental, and development facilities, both nonprofit and for-profit, both governmental and nongovernmental, may be acquired, developed, constructed, funded, maintained, and operated.

**Budget Information:** Included in the General Appropriations Bill as an informational budget.

**Additional Information:** The above only reflects the balances on the state's accounting system. A separate audit report is issued for the Science and Technology Authority which is available on the DLA website.

**Governor's Office of Economic Development**  
**State Accounting System - Other Fund Balances**  
**Company 6527 - South Dakota Energy Infrastructure Authority**

	FY2010	FY2011	FY2012	FY2013
1 Cash Pooled with State Treasurer	312.11	312.11	312.11	312.11
2 Total Assets	312.11	312.11	312.11	312.11
3				
4 Accounts Payable	-	-	-	-
5 Total Liabilities	-	-	-	-
6				
7 Reserve for Encumbrances	-	-	-	-
8 Unreserved Fund Balance	312.11	312.11	312.11	312.11
9 Total Fund Equity	312.11	312.11	312.11	312.11
10 Total Liabilities and Fund Equity	312.11	312.11	312.11	312.11
11				
12				
13 Use of Money and Property	-	-	-	-
14 Other Revenue	-	-	-	-
15 Total Operating Revenue	-	-	-	-
16				
17 Personal Services and Benefits	-	-	-	-
18 Travel	-	-	-	-
19 Contractual Services	-	-	-	-
20 Supplies and Materials	-	-	-	-
21 Grants and Subsidies	-	-	-	-
22 Capital Outlay	-	-	-	-
23 Total Operating Expenditures/Expenses	-	-	-	-
24				
25 Transfers In	-	-	-	-
26 Transfers Out	-	-	-	-
27 Net Transfers In (Out)	-	-	-	-
28				
29 Net Change	-	-	-	-
30				
31 Beginning Fund Equity	312.11	312.11	312.11	312.11
32 Ending Equity	312.11	312.11	312.11	312.11

**Company:** 6527

**Company Name:** Energy Infrastructure Authority

**Fund Name:** South Dakota Energy Infrastructure Authority

**Fund Type:** Component Unit – Business Type

**Purpose:** SDCL 1-16I-2 created the South Dakota Energy Infrastructure Authority as a body corporate and politic to diversify and expand the state's economy by developing in this state the energy production facilities and the energy transmission facilities necessary to produce and transport energy to markets within the state and outside of the state.

**Budget Information:** Included in the General Appropriations Bill as an informational budget.

**Governor's Office of Economic Development**  
**State Accounting System - Other Fund Balances**  
**Company 6529 - South Dakota Ellsworth Development Authority**

	FY2010	FY2011	FY2012	FY2013
1 Cash and Cash Equivalents	-	-	151,385.00	-
2 Interest Receivable	-	-	105,899.00	-
3 Prepaid Expenses	-	-	16,616.00	-
4 Deferred Charges	-	-	7,635.00	-
5 Assets Held for Resale	-	-	7,707,763.00	-
6 Total Assets	-	-	7,989,298.00	-
7				
8 Accounts Payable	-	-	218,746.00	-
9 Long-Term Loans Payable	-	-	1,732,561.00	-
10 Total Liabilities	-	-	1,951,307.00	-
11				
12 Unreserved Fund Balance	-	-	6,037,991.00	-
13 Total Fund Equity	-	-	6,037,991.00	-
14 Total Liabilities and Fund Equity	-	-	7,989,298.00	-
15				
16				
17 Sales and Services	-	-	83,250.00	-
18 Administering Programs	-	-	5,378,679.00	-
19 Other Revenue	-	-	5.00	-
20 Total Operating Revenue	-	-	5,461,934.00	-
21				
22 Personal Services and Benefits	-	-	246,578.00	-
23 Travel	-	-	12,911.00	-
24 Contractual Services	-	-	204,893.00	-
25 Supplies and Materials	-	-	10,623.00	-
26 Grants and Subsidies	-	-	600,000.00	-
27 Interest Expenses	-	-	361.00	-
28 Other Expense	-	-	-	-
29 Total Operating Expenditures/Expenses	-	-	1,075,366.00	-
30				
31 Transfers In	-	-	-	-
32 Transfers Out	-	-	-	-
33 Net Transfers In (Out)	-	-	-	-
34				
35 Net Change	-	-	4,386,568.00	-
36				
37 Beginning Fund Equity	-	-	1,651,423.00	-
38 Ending Equity	-	-	6,037,991.00	-

**Company:** 6529

**Company Name:** South Dakota Ellsworth Development Authority

**Fund Name:** South Dakota Ellsworth Development Authority

**Fund Type:** Component Unit – Business Type

**Purpose:** SDCL 1-16J-1 created the South Dakota Ellsworth Development Authority as a body corporate and politic for the purpose of protecting and promoting the economic impact of Ellsworth Air Force Base and associated industry, and to promote the health and safety of those living or working near the base.

**Budget Information:** Included in the General Appropriations Bill as an informational budget.

**Additional Information:** This entity is not on the state's accounting system. The above was obtained from the financial information the Authority submitted to BFM for the CAFR.

**Governor's Office of Economic Development**  
**State Accounting System - Other Fund Balances**  
**Company 9012 - Research Proof-of-Concept Fund**

	<b>FY2013</b>
1 Cash Pooled with State Treasurer	500,000.00
2 Total Assets	500,000.00
3	
4 Accounts Payable	-
5 Total Liabilities	-
6	
7 Reserve for Encumbrances	-
8 Unreserved Fund Balance	500,000.00
9 Total Fund Equity	500,000.00
10 Total Liabilities and Fund Equity	500,000.00
11	
12	
13 Use of Money and Property	-
14 Other Revenue	-
15 Total Operating Revenue	-
16	
17 Personal Services and Benefits	-
18 Travel	-
19 Contractual Services	-
20 Supplies and Materials	-
21 Grants and Subsidies	-
22 Capital Outlay	-
23 Total Operating Expenditures/Expenses	-
24	
25 Transfers In	500,000.00
26 Transfers Out	-
27 Net Transfers In (Out)	500,000.00
28	
29 Net Change	500,000.00
30	
31 Beginning Fund Equity	-
32 Ending Equity	500,000.00

**Company:** 9012

**Company Name:** Governor's Office (Other)

**Fund Name:** Research Proof-of-Concept Fund

**Fund Type:**

**Purpose:** SL 2013 chapter 26, section 138 authorized the transfer of \$500,000 from the General Fund to the Research Proof-of-Concept Fund. The fund was administratively established in December 2012 to provide grants to researchers. If a project proves commercially viable, repayment will be made to the fund.

**Budget Information:** Will be included in the General Appropriations Bill.

## 6 Revenues & Performance Indicators FY15 - GOED

Friday, January 17, 2014  
7:08 AM

Revenues and Performance Indicators					
FY 2015					
Center	01051	Gov Office of Economic Development			
		Actual	Actual	Estimated	Estimated
PERFORMANCE INDICATORS		FY 2012	FY 2013	FY 2014	FY 2015
Reported New Manufacturing/Calendar Year		3	10	10	10
Existing Manufacturing Expanded/CY		347	400	350	400
New Jobs Created/Calendar Year		4,248	3,000	4,000	3,000
Capital Investment Reported /CY(Millions)		\$281.6	\$400.0	\$300.0	\$400.0
REDI Loans		5	8	8	10
REDI Loan Dollars Approved (Millions)		\$11.7	\$9.9	\$11.0	\$15.0
Total Outside Dollars Leveraged (Millions)		\$184.2	\$63.9	\$75.0	\$85.0
Future Fund Awards		30	53	40	45
Community Development Block Grants:					
Grant Requests Received		29	22	25	31
Grants Awarded		27	21	23	22
Awards (Millions)		\$7.5	\$5.5	\$5.0	\$4.5
Active Grants		112	94	100	115
Project Dollars Expended (Millions)		\$39.0	\$21.0	\$30.0	\$32.0
EDFA Loans		0	1	1	1
EDFA Loan Dollars Approved (Millions)		\$0.0	\$10.0	\$5.0	\$5.0
EDFA Outside Dollars Leveraged (Millions)		\$0.0	\$48.0	\$30.0	\$30.0
APEX Loans		2	4	5	6
APEX Loans Approved		\$415K	\$510K	\$800K	\$960K
APEX Outside Dollars Leveraged		\$778K	\$1.5M	\$1.0M	\$1.2M
Gross Domestic Product / CY		\$42.5B	\$43.8B	\$45.1B	\$46.5B
Co-oping with Communities/Businesses:					
Trade Shows		55	48	50	50
SD Works Loans		3	8	10	15
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**FINAL RECOMMENDATION**

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**Revenues and Performance Indicators**  
FY 2015

PERFORMANCE INDICATORS	Actual FY 2012	Actual FY 2013	Estimated FY 2014	Estimated FY 2015
SD Works Loans Approved	\$1.6M	\$4.3M	\$5.9M	\$8.8M
SD Works Outside Dollars Leveraged	\$56.5M	\$31.4M	\$59.1M	\$88.6M

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**FINAL RECOMMENDATION**

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**Revenues and Performance Indicators**  
FY 2015

Center	01052	Office of Research Commerce	Actual FY 2012	Actual FY 2013	Estimated FY 2014	Estimated FY 2015
<b>PERFORMANCE INDICATORS</b>						
Private Sector Dollars Invested in Research Infrastructure			\$5.7M	\$6.3M	\$8.0M	\$10.0M
Federal Dollars Invested in Research Infrastructure			\$22.7M	\$12.9M	\$15.0M	\$20.0M
Private Sector Dollars Invested in Technology Based Businesses			\$16.4M	\$15.9M	\$20.0M	\$25.0M
University Spin-Offs Facilitated			7	5	7	8
University/Industry Research Collaborations			37	66	70	75
Venture Capital/Angel Investor and Entrepreneur Introductions			45	35	45	50
External Grant Funding Applications Facilitated			5	7	7	7
Proof of Concept Research Projects			N/A	3	10	10

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**FINAL RECOMMENDATION**

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# Revenues and Performance Indicators

FY 2015

Center 01053

SD Housing Development Authority - Info

	Actual FY 2012	Actual FY 2013	Estimated FY 2014	Estimated FY 2015
<b>PERFORMANCE INDICATORS</b>				
First-time Homebuyer Program Loans Financed	959	1,241	1,300	1,500
(Bond Financing or Secondary Market)	\$101,108,098	\$142,902,028	\$150,000,000	\$175,000,000
Down Payment Assistance Loans Financed	415	500	520	600
Mortgage Credit Certificates Issued		74	260	300
Home Improvement Loans Financed	70	49	100	125
HUD Traditional Contract Administration				
Units Allocated by HUD	1,985	1,915	1,915	1,915
Section 8 Asst. Pymts. (Federal Subsidy)	\$9,249,778	\$8,364,562	\$8,364,562	\$8,364,562
HUD Performance Based Contract Administration				
Units Allocated by HUD	3,414	3,416	3,372	3,372
Section 8 Asst Pymts (Federal Subsidy)	\$15,091,267	\$15,172,241	\$14,976,814	\$15,100,000
Low Income Housing Tax Credits Allocated	\$2,640,000	\$2,640,000	\$2,600,000	\$2,600,000
Community Housing Development Program				
New Loans (SDHDA Subsidy)		\$5,000,000	\$12,500,000	\$12,500,000
SDHDA/RD Cooperative Rental Program:				
Units Allocated	73	73	73	73
(SDHDA Subsidy)	\$178,375	\$162,279	\$160,000	\$160,000
HOME Program: Funds Disbursed(Fed Grant)	\$4,409,608	\$4,229,695	\$5,000,000	\$5,000,000
Emergency Shelter Grant Program--Federal Grant	\$338,238	\$321,514	\$580,000	\$390,000
Services to Aging Residents (STAR)--Tenants Served	899	899	836	836
FLEX Program				
Flex Lending Program - New Loans/Grants	\$1,056,894	\$495,842	\$1,500,000	\$1,500,000
Day Cares Granted	\$0	\$0	\$243,000	\$243,000
Governor's Houses Delivered	74	65	125	125

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**FINAL RECOMMENDATION**

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# Revenues and Performance Indicators

FY 2015

	Actual FY 2012	Actual FY 2013	Estimated FY 2014	Estimated FY 2015
<b>PERFORMANCE INDICATORS</b>				
MF Bond Programs - New Units Completed	0	0	100	100
HUD Housing Counseling Grant Program				
Clients Served	2,256	1,688	2,200	2,200
Homeowner Education Resource Organization				
Clients Served	2,556	2,404	3,000	3,000
National Foreclosure Mitigation Counseling Program				
Clients Served		481	450	0
Emergency Homeownership Loan Program				
Clients Served		21	21	0
Other Federal Programs Compliance				
Units Allocated	8,977	9,580	9,844	9,844
Neighborhood Stabilization Program				
Funds Disbursed (Federal Grant)	\$4,631,221	\$4,438,944	\$3,100,000	\$130,000
Housing Enhancement Loan Program				
Funds Distributed (SDHDA Subsidy)			\$1,000,000	\$1,000,000

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**FINAL RECOMMENDATION**

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**Revenues and Performance Indicators**  
FY 2015

<b>Center</b>	<b>010571</b>	<b>REDI Grants - Info</b>				
			<b>Actual</b>	<b>Actual</b>	<b>Estimated</b>	<b>Estimated</b>
			<b>FY 2012</b>	<b>FY 2013</b>	<b>FY 2014</b>	<b>FY 2015</b>
<b>REVENUES</b>						
Building South Dakota Fund				350,000		500,000
<b>Total</b>				350,000		500,000
			<b>Actual</b>	<b>Actual</b>	<b>Estimated</b>	<b>Estimated</b>
			<b>FY 2012</b>	<b>FY 2013</b>	<b>FY 2014</b>	<b>FY 2015</b>
<b>PERFORMANCE INDICATORS</b>						
Building SD/REDI Funds Disbursed					\$350,000	\$500,000

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**FINAL RECOMMENDATION**

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**Revenues and Performance Indicators**  
FY 2015

<b>Center</b>	<b>010572</b>	<b>Local Infrastructure Improvement - Info</b>				
			<b>Actual</b>	<b>Actual</b>	<b>Estimated</b>	<b>Estimated</b>
			<b>FY 2012</b>	<b>FY 2013</b>	<b>FY 2014</b>	<b>FY 2015</b>
<b>REVENUES</b>						
Building South Dakota Fund				1,750,000		2,500,000
<b>Total</b>				1,750,000		2,500,000
			<b>Actual</b>	<b>Actual</b>	<b>Estimated</b>	<b>Estimated</b>
			<b>FY 2012</b>	<b>FY 2013</b>	<b>FY 2014</b>	<b>FY 2015</b>
<b>PERFORMANCE INDICATORS</b>						
Building SD/Local Infrastructure Improvement Fund						
Funds Disbursed					\$1,750,000	\$2,500,000

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**FINAL RECOMMENDATION**

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# Revenues and Performance Indicators

FY 2015

Center	010573	Economic Development Partnership - Info	Actual FY 2012	Actual FY 2013	Estimated FY 2014	Estimated FY 2015
<b>REVENUES</b>						
Building South Dakota Fund				1,050,000		1,500,000
<b>Total</b>				1,050,000		1,500,000

	Actual FY 2012	Actual FY 2013	Estimated FY 2014	Estimated FY 2015
<b>PERFORMANCE INDICATORS</b>				
Building SD/Economic Development Partnership Fund				
Funds Disbursed			\$1,050,000	\$1,500,000

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**FINAL RECOMMENDATION**

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# Revenues and Performance Indicators

FY 2015

Center	010574	SD Housing Opportunity - Info	Actual FY 2012	Actual FY 2013	Estimated FY 2014	Estimated FY 2015
<b>REVENUES</b>						
Building South Dakota Fund				1,750,000		2,500,000
National Mortgage Fraud Settlement				344,750		
<b>Total</b>				2,094,750		2,500,000

	Actual FY 2012	Actual FY 2013	Estimated FY 2014	Estimated FY 2015
<b>PERFORMANCE INDICATORS</b>				
Building SD/Housing Opportunity Fund				
Funds Disbursed			\$1,100,000	\$2,500,000

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**FINAL RECOMMENDATION**

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# 7 GOED Finance Programs

Monday, January 27, 2014  
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# ECONOMIC DEVELOPMENT **FINANCE PROGRAMS**



## **SOUTH DAKOTA**

GOVERNOR'S OFFICE OF ECONOMIC DEVELOPMENT

## FINANCE PROGRAMS

In South Dakota, we're ready to work. Our people are dedicated, prepared and productive. Our business climate is second to none. And our financing programs are structured with you in mind.

That's because in South Dakota, we understand the needs of growing businesses. We've tailored our financing programs to fit you and your business. And our programs are structured to meet your long-term and short-term financing needs.

We also understand how important your time is. That's why to us, response time is a priority. Our team of professionals will help walk you through the process and will represent you well to our boards that make our loan decisions.

Whether you're just getting started, or are an established business, South Dakota's economic development team is ready to work for you.

## AT A GLANCE

### REDI (Revolving Economic Development & Initiative) Fund \*\*

- Provides permanent financing for land, building, machinery and equipment
- 2 percent fixed rate available to start-ups or expansions
- 10- to 20-year amortization, based on useful life of assets financed
- Five-year balloon
- Minimum 10 percent equity contribution; total REDI Fund loan amount may not exceed 45 percent of total project costs
- Job creation is a factor in determining loan amount – must meet program minimum wage and benefit requirements
- 1.5 percent origination fee
- Take-out financing

### EDFA (Economic Development Finance Authority) \*\*

- Designed for more capital-intensive projects, \$1 million minimum
- Lower interest rate to the borrower as a result of "A+" rating by Standard and Poors
- Long-term, fixed-rate financing
- Provides small businesses access to the public bond market
- Bonds may be tax-exempt on projects that are less than \$20 million in total project costs.
- Eligible for projects that operate an ag processing or manufacturing enterprise
- Permanent financing for land, building, machinery, equipment and associated installation costs

## **SBA 504 \*\***

- Long-term, fixed-rate financing
- Fixed asset purchases are eligible
- Available to all for-profit businesses, including retail operations
- As a Certified Development Corporation (CDC), the GOED offers 504 loans statewide
- Loan amounts: \$2 million, up to \$5 million under public policy; or, \$5.5 million for manufacturing or energy-related borrowers
- Subordinate lien position to bank

## **APEX (Agricultural Processing & Exporting) Fund \*\***

- Assist companies that add value to ag products through processing
- Assist companies exporting product out-of-state
- 3 percent interest rate available to start-ups or expansions
- 10- to 20-year amortization, based on useful life of assets financed
- Six-year balloon
- May provide up to 75 percent of total project costs, up to a maximum of \$250,000
- Uses include land and building acquisition or new construction, machinery and equipment, fees, services and other costs associated with construction
- Must employ low-income persons, farm families or displaced farm families, if possible
- Encourage job growth in rural areas with a population of 25,000 or less

## **SOUTH DAKOTA MicroLOAN/ MicroLOAN Express \*\***

- Offers access to working capital for small enterprises; may also be used for fixed assets
- 3 percent interest
- Up to 10-year term, depending on loan amount
- Maximum loan amount of \$100,000; minimum \$1,000; total project costs cannot exceed \$500,000
- 50 percent of total project cost must be provided by a bank, credit union, or local or regional revolving loan funds; balance from MicroLOAN and equity injection (if required by lender); MicroLOAN subordinates to lender involved or may be in a shared first collateral position with MicroLOAN Express and the local or regional revolving loan funds.
- Application fee is the greater of 1.5 percent of loan amount or \$50

## **SOUTH DAKOTA WORKS**

- Offers business/commercial loans to businesses needing working capital
- Eligible uses include working capital, interim construction needs on new buildings, and equipment needs
- Eligible borrowers for South Dakota WORKS loans include businesses seeking new financing and certified development financial institutions (CDFIs)
- Must meet US Treasury guidelines
- A company may have only one WORKS loan at a time
- Term: 1-5 years
- Maximum loan amount: \$1 million; minimum loan amount \$20,000
- Fixed interest rate, typically 1 percent less than lead bank
- Structure: Bank, 80 percent, WORKS loan, 20 percent
- The WORKS loan takes second position on collateral behind the participating bank

**\*\* PROGRAM REQUIRES INTERIM/CONSTRUCTION FINANCING.**

## WORKFORCE DEVELOPMENT PROGRAM

- Provides matching grants to assist companies with up to 50 percent of eligible training expenses
- Assists with new and current employee training
- Jobs must meet minimum wage and benefit requirements
- Training must focus on the technical aspects of the job
- Funding is released on a reimbursement basis upon the completion of the training

## COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM

- Provides matching grants to local governments (incorporated municipalities and counties)
- Primarily benefits low- and moderate-income persons
- Projects must meet federal requirements
- Environmental review must be completed
- Local Planning Districts must administer CDBG awards
- Can be utilized for workforce development training and community infrastructure needs

*"The APEX program has been instrumental to the growth we experienced over the years here at Enclose Manufacturing. The low, fixed interest rates were unmatched saving us in many ways. Our latest involvement with the APEX program was instrumental for expanding our operation to further enhance our customer base and to better serve our existing customers."*

*Bill Wegleitner, President, Enclose Manufacturing*



*"The REDI Fund has been pivotal to our growth as a company in South Dakota. Without it, it would have been very difficult for South Dakota to play on a level playing field with competing states."*

*Mike Adams, CEO  
Adams Thermal*

For additional information on our financing programs go to [www.sdreadytowork.com/finance](http://www.sdreadytowork.com/finance)

1,200 copies of this piece were printed at a cost of \$0.83 per piece by the South Dakota Governor's Office of Economic Development. Printed on recycled paper, July 2013

# SOUTH DAKOTA

GOVERNOR'S OFFICE OF ECONOMIC DEVELOPMENT

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## ■ BUILDING SOUTH DAKOTA FUND

### **ECONOMIC DEVELOPMENT PARTNERSHIP PROGRAM**

- Provides matching grants to assist in funding equipment and training needs, new staff, or to elevate existing part-time staff, for purpose of developing or expanding local and community development programs
- May be used to commence or replenish local revolving loan funds
- Eligible for any nonprofit development corporation or any municipality, county or other political subdivision of this state
- Awarded on a matching basis as determined by the board

### **LOCAL INFRASTRUCTURE IMPROVEMENT PROGRAM**

- Provides grants to assist in funding the construction or reconstruction of infrastructure for the purpose of economic development
- Eligible for any local development corporation or political subdivision of this state
- Board shall consult with appropriate state agencies to evaluate the feasibility and merits of the proposed infrastructure improvements
- Board shall consider the economic impact of the economic development project to be served by the proposed infrastructure improvements
- Board shall consider the funding available to and utilized by the applicant

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## REINVESTMENT PAYMENT PROGRAM

- Assists companies in offsetting the upfront costs associated with relocating or expanding operations and/or upgrading equipment
- Total project costs in excess of \$20 million or equipment upgrades with a total project cost in excess of \$2 million
- One key criteria considered by the board when approving or denying an application is the likelihood the project would have occurred without the reinvestment payment
- Intended for projects that would not have occurred without the payment

## SOUTH DAKOTA JOBS PROGRAM

- Assists companies in offsetting the upfront costs associated with relocating or expanding operations and/or upgrading equipment
- Total project costs less than \$20 million or equipment upgrades with a total project cost less than \$2 million
- One key criteria considered by the board when approving or denying an application is the likelihood the project would have occurred without the South Dakota Jobs grant
- Intended for projects that would not have occurred without the payment

### \* PROGRAMS ADMINISTERED BY THE BOARD OF ECONOMIC DEVELOPMENT

For more information, please contact  
Cherissa Nielson at [cherissa.nielson@state.sd.us](mailto:cherissa.nielson@state.sd.us)  
or 1-800-872-6190. Or, visit us online at  
[www.sdreadytowork.com/finance](http://www.sdreadytowork.com/finance).



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## 8 SD Science & Tech Activity

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SD Science and Technology Authority  
Funding Provided, Expenditures, and Cash Balances  
Cash Basis Activity on State's Accounting System  
FY2004 through FY2013

FUNDING PROVIDED			FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Type of funds	Funding	Purpose of funds										
G/F - Special approp.	\$ 10,000,000	Indemnification Fund	\$ 10,000,000									
G/F - Special approp.	\$ 800,000	Mine Closure Fund	\$ 800,000									
G/F - Special approp.	\$ 3,500,000	Insurance Premiums/Other Oper. Exp.	\$ 3,500,000									
G/F - Special approp.	\$ 19,887,630	Project as defined in SDCL 1-16H-3(3) "Interim Lab"			\$ 19,887,630							
G/F - Special approp.	Various	Office of the Governor Homestake Laboratory Conversion Project		\$ 670,546	\$ 745,546							
Other fund transfer	\$ 5,400,000	Transfer from 5 other state funds								\$ 5,400,000		
Federal HUD Funds	\$ 10,000,000	Mine				\$ 367,324	\$ 9,126,559	\$ 506,117				
Denny Sanford donation	\$ 70,000,000	Donation consists of \$35 million dedicated to rehab to the 4850 foot level. \$20 million dedicated to education and outreach programs, and \$15 million dedicated to the DUSEL or 8000 foot level.					\$ 15,000,000	\$ 20,000,000	\$ 20,000,000			\$ 15,000,000
NSF and DOE funds		Money is used for design of the DUSEL and experiments	<<<According to STA this money does not come directly to the Authority>>>									
Interest Proration		Money is invested in State's Cash Flow Fund		\$ 53,487	\$ 306,164	\$ 763,921	\$ 1,376,810	\$ 2,020,350	\$ 2,209,241	\$ 2,287,274	\$ 1,444,580	\$ 763,905
Other		Not sure of this funding source			\$ 200,000							
TOTAL FUNDS RECEIVED			\$ 14,300,000	\$ 724,033	\$ 21,139,340	\$ 1,131,245	\$ 25,503,369	\$ 22,526,467	\$ 22,209,241	\$ 7,687,274	\$ 1,444,580	\$ 15,763,905
EXPENDITURES			FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Contractual Services						\$ 480,774	\$ 126,946		\$ 765,342	\$ 585,064	\$ 483,005	\$ 763,251
Grants and Subsidies			\$ 676,932	\$ 670,546	\$ 445,000	\$ 1,835,000	\$ 11,395,414	\$ 24,726,196	\$ 23,010,384	\$ 17,020,661	\$ 10,664,325	\$ 3,333,290
TOTAL EXPENDITURES			\$ 676,932	\$ 670,546	\$ 445,000	\$ 2,315,774	\$ 11,522,360	\$ 24,726,196	\$ 23,775,726	\$ 17,605,725	\$ 11,147,330	\$ 4,096,541
ENDING CASH BALANCE			\$ 13,623,068	\$ 13,676,555	\$ 34,370,895	\$ 33,186,366	\$ 47,167,375	\$ 44,967,646	\$ 43,401,161	\$ 33,482,710	\$ 23,779,960	\$ 35,447,324
Ending Fiscal Year Cash Balance Accounts on State's Accounting System			FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Operating Funds			\$ 368,226	\$ 369,672	\$ 677,896	\$ 277,761						
Indemnification Fund			\$ 10,000,000	\$ 10,039,262	\$ 10,264,452	\$ 10,000,000	\$ 10,000,000	\$ 10,000,000	\$ 10,000,000	\$ 10,000,000	\$ 10,000,000	\$ 10,000,000
Mine Closure Fund			\$ 800,000	\$ 803,141	\$ 1,021,156	\$ 1,046,876	\$ 1,088,989	\$ 1,144,552	\$ 1,197,450	\$ 1,256,881	\$ 1,299,217	\$ 1,329,564
Insurance Premiums			\$ 2,454,842	\$ 2,464,480	\$ 2,519,761	\$ 1,974,068	\$ 1,833,411	\$ 1,833,411	\$ 1,068,069	\$ 483,005		
Sanford							\$ 15,000,000	\$ 31,989,683	\$ 18,635,642	\$ 6,886,182	\$ 7,480,743	\$ 4,117,760
Sanford Gift #2									\$ 12,500,000	\$ 12,500,000	\$ 5,000,000	\$ 20,000,000
Interim Lab					\$ 19,887,630	\$ 19,887,660	\$ 19,244,974					
2010 SB196 Transfers										\$ 2,356,642		
TOTAL CASH BALANCE			\$ 13,623,068	\$ 13,676,555	\$ 34,370,895	\$ 33,186,365	\$ 47,167,374	\$ 44,967,646	\$ 43,401,161	\$ 33,482,710	\$ 23,779,960	\$ 35,447,324
NOTE: The SD Science and Technology Authority also operates from a Local Bank Account (this is not included in the cash balances above)												
FTE's Appropriated in the General Appropriations Act			FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
			N/A	N/A	N/A	12.3	12.3	12.3	70.0	70.0	5.0	29.0

## 9 Ellsworth Development Authority FY13 Annual Report

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## **Ellsworth Development Authority**

### **FY 2013 Annual Report**

#### **FY2013 Activities Review**

During FY2013, SDEDA implemented several initiatives consistent with its legislative purpose and mission,

- "To make sure that the Great State of South Dakota is always a Great Place for the U.S. Department of Defense to conduct its essential national defense mission at Ellsworth Air Force Base.
- To work hand in hand with local governments, the private sector and property owners to promote the health and safety of those living or working near the base.
- To protect and promote the economic impact of Ellsworth Air Force Base and associated industry.
- To work with the Base and local communities to prepare for additional growth in missions at Ellsworth Air Force Base."

To these ends, SDEDA execute the following projects

#### **Regional Wastewater Treatment Plant (RWWTP)**

SDEDA finalized design plans, received bids and awarded the construction of the Regional Waste Water Treatment Plant. Construction of the Wastewater Treatment plant began in February 2013. The plant will be a 3 million gallon per day treatment plant and will serve the long term bulk sewage treatment needs of EAFB and the City of Box Elder. Both the EAFB and Box Elder current lagoon systems are out of compliance with EPA standards and must be replaced. It is estimated that one 3 million gallon per day plant will save 8.8 million dollars versus building two 1.5 million gallon per day plants -- one for EAFB and one for the City of Box Elder.

In addition, SDEDA finalized the design, received bids, and awarded the construction of a sanitary sewer interceptor line that will carry wastewater from EAFB to the new treatment plant as well as extending the Box Elder water system out to the treatment plant. Construction of these projects will begin in July 2013.

#### **Compatible Use Project**

During FY 2013, SDEDA applied for and received a Readiness and Environmental Protection Initiative Grant for \$1 million to both protect the health and safety of those currently living within APZ1, APZ2, and high noise contours as well as remove incompatible development that is currently within these areas. These funds will be spent in early FY 2014 to purchase properties of residents that are currently incompatible with EAFB. SDEDA will put easements on the properties to ensure they remain compatible and then, in the future, redevelop those properties

with a compatible use. During FY 2013, the State of South Dakota legislature contributed \$200,000 to use as matching funds toward the purchase of these properties.

Additionally, SDEDA worked to support local jurisdiction efforts to establish updated rules and regulations for compatible civilian development surrounding EAFB. SDEDA worked with the City of Box Elder to establish zoning and overlay districts to restrict incompatible development in accordance with the Air Installation Compatible use Zones Guidelines (AICUZ).

SDEDA regularly meets with EAFB and local jurisdictions to plan and encourage compatible development consistent with AICUZ guidelines.

#### **Land Development**

SDEDA completed the transfer of just over 170 acres of land to SDEDA from the Department of Defense via U.S. Congressional legislation which passed and was signed by President Obama during 2009. Approximately 20 acres of this land has been transferred to the Douglas School District to expand its educational campus and another 5+ acres has been sold to the city of Box Elder for future compatible development. Two of the smaller parcels totaling approximately 5 acres, known as South Nike and 11000 Communications Annex, have been sold.

One Hundred Twenty (120) acres known as Renel Heights is designated for a commercial development and the city of Box Elder has approved a request to change the zoning from Residential to Commercial. In addition, SDEDA currently has a 2 acre parcel within Renel Heights platted and under contract to be sold to a retailer.

#### **Freedom Estates**

During FY 2012, SDEDA purchased 230 Acres known as Freedom Estates on the southeast corner of I-90 and exit 67 using funds from HUD's Neighborhood Stabilization Project. This land has been planned as a multi use development including residential, commercial, and industrial. During FY 2013, SDEDA completed a 12 home residential development for low income housing. These houses are now for sale to families that meet certain income criteria and during FY 2013 SDEDA sold the first 2 houses. The remaining 10 homes are anticipated to be sold during FY 2014.

In addition to the 12 homes completed, SDEDA applied for and received a grant from the South Dakota Mortgage Settlement Fund for \$270,777. SDEDA is using these funds to develop 12 additional lots within the Freedom Estates development. These lots will be sold to further assist low income residents.

#### **Urban Training Center**

During FY 2013, SDEDA partnered with EAFB and the SD National Guard to build an Urban Training Center in northwest South Dakota. The Air Force designed the training center, the State of South Dakota contributed \$50,000 for the purchase of materials, and the SD National Guard transported the materials and constructed the center.



### **Financial Overview**

During FY2013, SDEDA did not receive any funds from the South Dakota General Budget. Funding source for projects were received from grants or funding that was specifically designated for individual projects. Funds for general operations came from multiple sources including a \$150,000 grant from the Governor's Office of Economic Development, a \$100,000 donation from local businesses via the Future Foundation, sale of land received from the Department of Defense, and funds carried over from FY 2012.

Signed: \_\_\_\_\_  
Patrick Burchill, Chairman

Signed: \_\_\_\_\_  
Kent Mundon

Signed: \_\_\_\_\_  
Kenny McNenny

Signed: \_\_\_\_\_  
Michael Bender

Signed: \_\_\_\_\_  
Stanley Porch

Signed: \_\_\_\_\_  
Mark Roby

## 10 Future Fund - information and statutes

Thursday, February 06, 2014  
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## FUTURE FUND

Following the recession of the early 1980s, the Future Fund was developed to invest in South Dakota's workforce and build its economy. The Future Fund supports the workforce development and technical assistance programs which help train employees, retrain employees during layoffs and support business recruitment, economic development initiatives, and research and entrepreneurial activities.

In 2011, the Future Fund created 1,339 jobs and increased the skill sets and earning potential of 1,343 South Dakotans.

Grant awards are based on a variety of factors including eligibility, training costs, job creation, wage base, and broader financial assistance needs.

The investment fees are collected by the Department of Labor & Regulation, and then transferred to GOED. These funds are used to give grants. The FY12 actual ending cash balance is \$51,219,802.

**61-5-29.1. Employer's investment in state's future fund--Purposes--Expenditures.** There is hereby created in the state treasury a special revenue fund to be known as the employer's investment in South Dakota's future fund. Such fund shall be used for purposes related to research and economic development for the state. Expenditures from such fund are subject to the provisions of chapters 4-7, 4-8A and 4-8B.

**61-5-29. Investment fee rate--Terms and conditions of payment and collection--Deposit of proceeds--Limitation on increase.** Employers required by this title to pay contributions, except employers that pursuant to chapter 61-5A reimburse the unemployment compensation trust fund for benefits paid in lieu of contributions, shall also pay an employer's investment in South Dakota's future fee, hereinafter "investment fee," on wages as defined by this title. The fee rate for employers not eligible for experience rating, as defined in § 61-5-24, shall be seventy hundredths percent through calendar year 2006 and fifty-five hundredths percent on and after January 1, 2007. If an employer is eligible for experience rating, the employer's reserve ratio shall be determined pursuant to § 61-5-25.2 and the employer's investment fee rate shall be the rate appearing in column "A" on the same line on which the employer's reserve ratio appears in column "B" of the following rate schedules.

From January 1, 1993, to December 31, 2006, inclusive:

Column "A"	Column "B"
Investment Fee Rate	Reserve Ratio
0.70%	Less than 0.80%
0.60%	0.80% and Less than 1.00%
0.50%	1.00% and Less than 1.20%
0.40%	1.20% and Less than 1.30%
0.30%	1.30% and Less than 1.40%

0.20%	1.40% and Less than 1.50%
0.10%	1.50% and Less than 1.60%
0.00%	1.60% and Over

From January 1, 2007, to December 31, 2007, inclusive:

Column "A"	Column "B"
Investment Fee Rate	Reserve Ratio
0.60%	Less than 1.00%
0.50%	1.00% and Less than 1.20%
0.40%	1.20% and Less than 1.30%
0.30%	1.30% and Less than 1.40%
0.20%	1.40% and Less than 1.50%
0.10%	1.50% and Less than 1.60%
0.00%	1.60% and Over

From January 1, 2008, to December 31, 2008, inclusive:

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Column "A"	Column "B"
Investment Fee Rate	Reserve Ratio
0.58%	Less than 1.00%
0.50%	1.00% and Less than 1.20%
0.40%	1.20% and Less than 1.30%
0.30%	1.30% and Less than 1.40%
0.20%	1.40% and Less than 1.50%
0.10%	1.50% and Less than 1.60%
0.00%	1.60% and Over

From January 1, 2009, to December 31, 2009, inclusive:

Column "A"	Column "B"
Investment Fee Rate	Reserve Ratio
0.56%	Less than 1.00%

0.50%	1.00% and Less than 1.20%
0.40%	1.20% and Less than 1.30%
0.30%	1.30% and Less than 1.40%
0.20%	1.40% and Less than 1.50%
0.10%	1.50% and Less than 1.60%
0.00%	1.60% and Over

From January 1, 2010, to December 31, 2010, inclusive:

Column "A"	Column "B"
Investment Fee Rate	Reserve Ratio
0.55%	Less than 1.00%
0.50%	1.00% and Less than 1.20%
0.40%	1.20% and Less than 1.30%
0.30%	1.30% and Less than 1.40%
0.20%	1.40% and Less than 1.50%
0.10%	1.50% and Less than 1.60%
0.00%	1.60% and Over

Beginning January 1, 2011:

Column "A"	Column "B"
Investment Fee Rate	Reserve Ratio
0.53%	Less than 1.00%
0.50%	1.00% and Less than 1.20%
0.40%	1.20% and Less than 1.30%
0.30%	1.30% and Less than 1.40%
0.20%	1.40% and Less than 1.50%
0.10%	1.50% and Less than 1.60%
0.00%	1.60% and Over

The terms and conditions of this title which apply to the payment and collection of

contributions also apply to the payment and collection of the investment fee. Proceeds from the investment fee shall be deposited in the clearing account of the unemployment compensation fund for clearance only and may not become part of the fund. After clearance, the money derived from such payments, less refunds made pursuant to the provisions of this title, shall be deposited in the employer's investment in South Dakota's future special revenue fund as provided for in § 61-5-29.1. Investment fee payments may not be credited to the employer's experience rating account and may not be deducted in whole or in part by any employer from the wages of individuals in its employ.

The investment fee rate may not be increased over the applicable 1987 investment fee rate for any employer with a positive balance in the employer's experience rating account on the computation date, as established in rules promulgated by the secretary of labor and regulation pursuant to chapter 1-26, for the current year and the year preceding the current year.

The investment rates provided in this section apply to and are retroactive to taxable wages paid on and after January 1, 1993.

**Source:** SL 1987, ch 387, § 5; SL 1988, ch 413, § 4; SL 1989, ch 448, § 4; SL 1991, ch 416, § 4; SL 1993, ch 375, § 28; SL 1993, ch 378, § 4; SL 2006, ch 268, § 1; SL 2011, ch 1 (Ex. Ord. 11-1), § 33, eff. Apr. 12, 2011; SL 2011, ch 225, § 3; SL 2011, ch 227, § 1, eff. Mar. 17, 2011; SDCL § 61-5-24.1; SL 2012, ch 252, § 59.



## 11 Future Fund CY2013 Approvals

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**Future Fund  
CY2013 Approvals**

Grant #	Company	Location	Approval Amount	Month Approved
3557	Spartan ERV	Brandon	\$ 17,040.00	January
3498	Adams Thermal Systems	Canton	\$ 150,000.00	January
3561	ASI	Rapid City	\$ 14,000.00	January
3562	Dakota Arms, Inc. (Remington Outdoors Company)	Sturgis	\$ 4,000.00	January
1499	SBDC/SBIR	Statewide	\$ 430,076.00	January
1500	PTAC	Statewide	\$ 107,685.00	January
1501	SD M&TS	Statewide	\$ 161,000.00	January
1502	FAST	Statewide	\$ 40,000.00	January
3565	Counterpart	Brookings	\$ 25,000.00	February
3566	Central States Manufacturing	Hartford	\$ 70,000.00	February
1504	Absolutely Aberdeen	Aberdeen	\$ 10,000.00	February
1497	Faulkton Dev. Corp	Faulkton	\$ 10,000.00	February
1503	USD (Eagle Creek)	Vermillion	\$ 212,500.00	February
1506	USD (GMP Engineering)	Vermillion	\$ 25,000.00	March
3563	CIGNA	Sioux Falls	\$ 100,000.00	April
3569	Counterpart	Brookings	\$ 500.00	April
3568	Equity Trust Company	Sioux Falls	\$ 7,500.00	April
3551	Falcon Plastics	Brookings	\$ 25,000.00	April
3575	Sand Creek Post & Beam	North Sioux City	\$ 20,000.00	May
3572	Black Hills Fiberglass LLC	Belle Fourche	\$ 15,000.00	May
3576	AmeriPharm, Inc. dba MedVantx	Sioux Falls	\$ 46,000.00	May
3570	Molded Fiber Glass	Aberdeen	\$ 60,000.00	May
3574	Lectrus Corporation	Tea	\$ 8,500.00	May
1505	DSU (CETUP)	Madison	\$ 15,000.00	May
1509	Lakota Funds	Pine Ridge	\$ 25,000.00	May
1510	SDDOT	Statewide	\$ 400,000.00	May
1511	SDDOT	Statewide	\$ 200,000.00	May
3571	Navigant Consulting	Vermillion	\$ 125,000.00	June
3573	Navigant Consulting	Mitchell, Plankinton, Vermillion	\$ 8,000.00	June
1508	SDHDA	Statewide	\$ 85,718.00	June
1425	Sitting Bull	Standing Rock	\$ 35,000.00	June
3579	Lewis and Clark Hydraulic Company	Yankton	\$ 2,000.00	July
1514	SmithCo Mfg Inc	Elk Point	\$ 90,000.00	July
1494	Brookings EDC	Brookings	\$ 100,000.00	July
1365	Hunkpati Investments	Crow Creek	\$ 25,000.00	July
1516	SDSU (OSHA Intern)	Brookings	\$ 10,000.00	July
1517	Planning Districts	Statewide	\$ 90,000.00	July
1518	SD Ellsworth Dev Auth	Rapid City	\$ 150,000.00	July
3581	Hydro-Klean, LLC	Sioux Falls	\$ 25,000.00	August
3578	Allied Solutions	Dakota Dunes	\$ 37,500.00	August
1383	SD Enterprise Inst.	Statewide	\$ 82,500.00	August
1507	Western Dakota Tech	Rapid City	\$ 150,000.00	August
1513	Baldwin Filters	Yankton	\$ 236,000.00	August
3580	Molded Fiber Glass	Aberdeen	\$ 160,000.00	September

3582	Marmen, Inc.	Brandon	\$	250,000.00	September
3583	Malloy Electric	Sioux Falls	\$	1,500.00	October
3564	Capital One Financial Corporation	Sioux Falls	\$	200,000.00	October
1519	SD S&TA	Lead	\$	2,000,000.00	October
1520	USD (GMP)	Vermillion	\$	732,000.00	October
1521	National Park Service	Keystone	\$	152,000.00	October
3585	Vermeer Freeman Manufacturing, Inc.	Freeman	\$	5,000.00	December
3584	Personal Group, Inc.	Rapid City	\$	30,000.00	December
3586	VRC Metal Systems	Rapid City	\$	10,000.00	December
1522	Dakota Resources	Statewide	\$	100,000.00	December
1523	Bel Brands	Brookings	\$	~ 4,661,800.00	December
1525	SBDC-MTS	Statewide	\$	161,000.00	December
1526	SBDC-PTAC	Statewide	\$	113,421.00	December
1527	SBDC	Statewide	\$	430,076.00	December
1528	L & S	Sioux Falls	\$	586,275.00	December
Total			\$	8,381,791.00	

## 12 REDI Fund Loans - CY2013

Monday, January 27, 2014  
5:18 PM

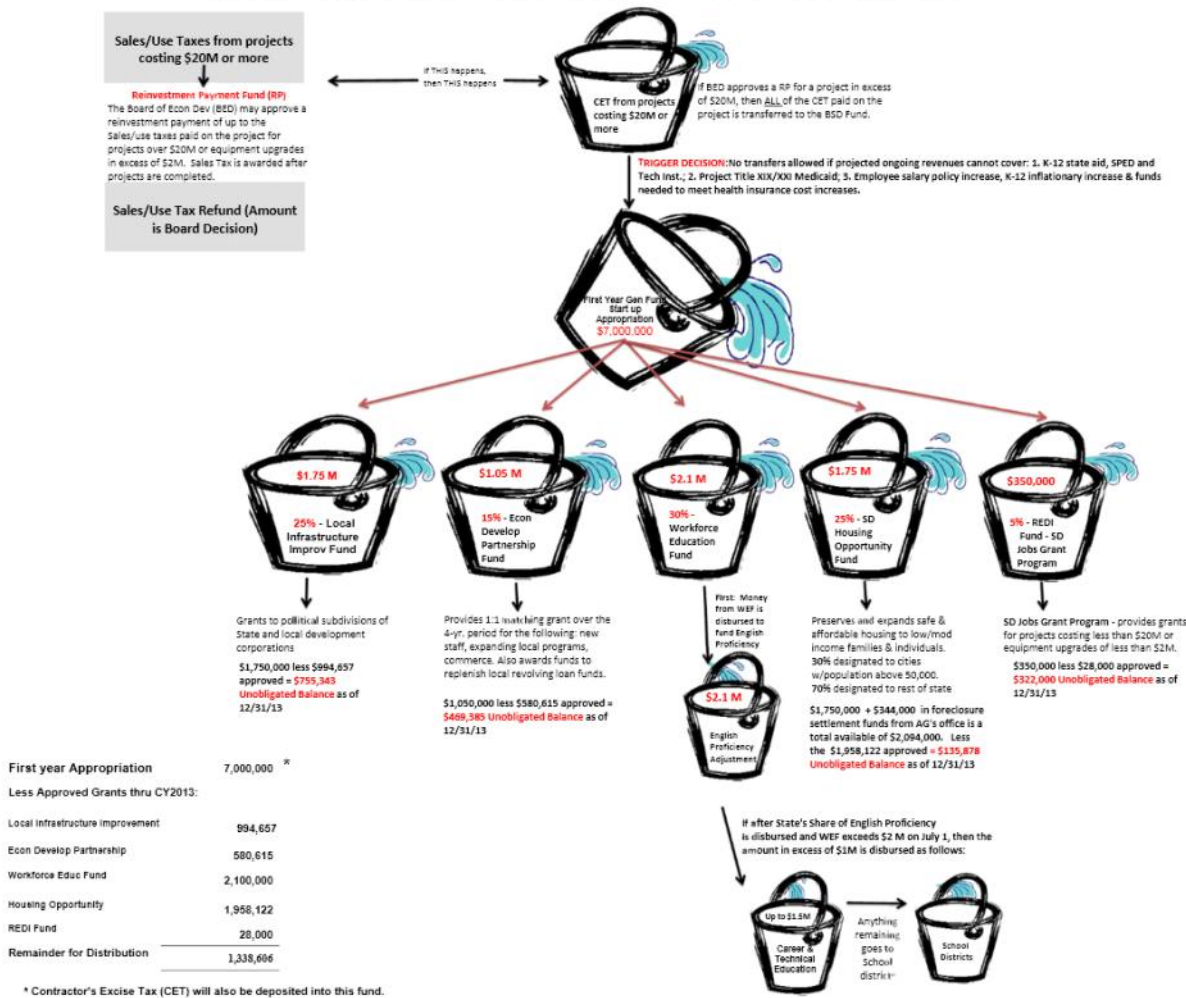
### REDI Fund - Board of Economic Development CY2013 Approvals

Company	Location	Loan Amount	Estimated Total Project Amount	Projected FTE's	Month Approved
Black Hills Fiberglass, LLC	Belle Fourche	\$ 1,000,000.00	\$ 3,500,000.00	40.00	March
Northland Laboratories	Sioux Falls	\$ 100,000.00	\$ 225,000.00	22.00	March
Vermillion Area Chamber of Commerce/Eagle Creek	Vermillion	\$ 2,100,000.00	\$ 5,271,266.00	200.00	April
Marmen Energy Company	Brandon	\$ 5,000,000.00	\$ 52,700,000.00	250.00	May
PEDCO/South Dakota Pulse Processors, LLC	Pierre/Harold	\$ 360,000.00	\$ 800,000.00	27.00	July
Lomar Development Company, LLP	Brookings	\$ 1,170,000.00	\$ 2,600,000.00	50.00	September
Twin City Fan Companies, Ltd	Brookings	\$ 616,950.00	\$ 1,371,000.00	see Lomar	September
Agile Manufacturing, LLC	Worthing	\$ 684,968.00	\$ 3,955,500.00	25.00	September
MDS Manufacturing Co., Inc.	Parkston	\$ 600,000.00	\$ 2,323,851.00	40.00	October
WM3D Properties, LLC	Howard	\$ 468,750.00	\$ 800,000.00	63.00	October
Total		\$ 12,100,668.00	\$ 73,546,617.00	717.00	

### 13 SB235 Build SD Buckets

Monday, January 27, 2014  
5:18 PM

#### Building South Dakota Distribution - as of December 31, 2013



[Members](#)

# 13a 25% Local Infrastructure Improvement Program

Monday, January 27, 2014  
5:18 PM

## Local Infrastructure Improvement Program - Board of Economic Development CY2013 Approved Grants

Applicant	Location	Amount Requested	Grant Amt. (Board Approved)	Estimated Total Project Amount	Projected FTE'S	Date Received	Month Approved	Project Description
Brookings County	Brookings	400,000.00	\$400,000.00	\$5,800,275.00	28.00	07/22/2013	September	Road & Infrastructure Improvements west of Aurora, SD for the new corn oil facility
City of Alexandria	Alexandria	50,300.00	\$50,300.00	\$63,800.00	40.00	07/29/2013	September	Expand the main water and sewer service that will include a new manufacturing facility (Sharp Industries)
City of Sturgis	Sturgis	244,357.00	\$244,357.00	\$518,214.00	12.00	07/31/2013	September	Extend a water and sewer main along the right of way for a new road arterial that will eventually be built - immediately this project will allow a local winery, Belle Joli, to expand and construct a new tasting room, visitor center, patio, and sparkling wine production facility in their 12 acre development
City of Castlewood	Castlewood	300,000.00	\$100,000.00	\$486,700.00	3.00	10/29/2013	December	Road improvements to the elevator and industrial park
City of Milbank	Milbank	400,000.00	\$200,000.00	\$22,688,000.00	10.00	10/30/2013	December	Construct a new road to serve the new hospital campus and water/sewer utility improvements
City of Box Elder	Box Elder	700,000.00	\$0.00			07/26/2013		New Madison Well and 1M gal storage tank, water main extensions, sanitary sewer main extensions and connector roads
City of Belle Fourche	Belle Fourche	130,000.00	\$0.00			07/29/2013		Street lighting in the Industrial Park
City of Wagner	Wagner	724,535.00	\$0.00			07/31/2013		To improve and to create (where applicable) six blocks of street curb and gutter
City of Harrisburg	Harrisburg	500,000.00	\$0.00			07/31/2013		Land Improvements (Infrastructure) for the Avera Mills Creek Park retirement community
City of Canton	Canton	500,000.00	\$0.00			07/31/2013		Building a new aquatic center
City of Pierre	Pierre	354,285.00	\$0.00			10/31/2013		Provide city water, sewer and electric utilities for the Menard's development
<b>Total</b>		<b>4,303,477.00</b>	<b>\$994,657.00</b>	<b>\$29,556,989.00</b>	<b>93.00</b>			

Grant Applications Received: 11

Total Grant Amount Requested: \$4,303,477

Grants Approved: 5

Total Amount Approved: \$994,657

\$1,750,000 Starting Balance less \$994,657 Approved = \$755,343 Unobligated Balance



# 13b 15% Economic Development Partnership Program

Monday, January 27, 2014  
5:18 PM

## Economic Development Partnership Program - Board of Economic Development CY2013 Approved Grants

Applicant	Location	Amount Requested	Grant Amt. (Board Approved)	Projected FTE'S	Date Received	Month Approved	Project Description
Belle Fourche Development Corporation	Belle Fourche	253,636.62	\$103,000.00	1.00	07/23/2013	September	Hire a full-time employee, benefits, training for the new economic development employee, office equipment - laptop computer w/ printer, copier, scanner and fax
GROW South Dakota (RLF)	Sisseton	1,000,000.00	\$100,000.00	224.00	07/29/2013	September	Replenish Revolving Loan Fund
Bison Area Economic Development	Bison	75,000.00	\$32,700.00	1.00	07/29/2013	September	Elevating existing PT staff to FT - benefits and all office equipment is needed to establish an official office space
Southern Hills Economic Development	Hot Springs	125,557.00	\$56,900.00	1.00	07/31/2013	September	Elevating existing PT staff to FT, and office equipment - laptop computer, business software, wireless router, wireless printer/copier, basic office supplies.
Arlington Community Development Corporation	Arlington	119,000.00	\$55,000.00	1.00	07/29/2013	October	Hire new Executive Director & benefits
De Smet Development Corporation	De Smet	42,820.00	\$42,820.00	1.00	07/31/2013	October	Elevating existing PT staff to FT - purchase new equipment - computer, docking station, projector, screen, sound system, wireless microphone, podium with sound
Lake Francis Case Development Corporation	Chamberlain	62,275.00	\$62,275.00	1.00	09/24/2013	December	Hire a FT Exec. Director, benefits, purchase equipment & travel expenses
Faulkton Area Economic Development	Faulkton	74,050.00	\$52,220.00	1.00	10/31/2013	December	Elevate existing PT staff to FT staff, benefits and office equipment
Gettysburg/Whitlock Bay Development Corporation	Gettysburg	43,440.80	\$21,700.00	1.00	10/31/2013	December	Elevate existing PT staff to FT staff
Wounded Knee Development Corporation	Manderson	207,726.00	\$54,000.00	1.00	10/31/2013	December	Elevate existing part-time CDC Director to FT CDC Director, benefits, and office equipment
Centerville Development Corporation	Centerville	16,000.00	\$0.00		07/29/2013		Hire new staff, elevating existing PT staff to FT, training needs include neighborworks training institute, national development council, regional and state economic development conferences and housing workshops and conferences - office equipment includes a projector and screen.
Heart of the Hills Economic Development Corporation	Hill City	16,485.00	\$0.00		07/30/2013		Hire PT Admin. Asst. and purchase office equipment
Sturgis Economic Development Corporation (RLF)	Sturgis	50,000.00	\$0.00		07/30/2013		Replenish Revolving Loan Fund
Lead Area Chamber of Commerce	Lead	87,240.00	\$0.00		07/30/2013		Hire new staff, training needs and purchase of equipment - new computer and booking software program
Grant County Development Corporation	Grant County	5,042.00	\$0.00		07/31/2013		Hire a new employee and purchase a laptop
City of Wagner	Wagner	200,000.00	\$0.00		07/31/2013		Hire new staff
DeSmet Development Corporation (RLF)	De Smet	50,000.00	\$0.00		07/31/2013		Start a new Revolving Loan Fund
City of Wagner	Wagner	49,000.00	\$0.00		10/31/2013		Hire an Economic Development Director
Gettysburg/Whitlock Bay Development Corporation (RLF)	Gettysburg	25,000.00	\$0.00		10/31/2013		Replenish Revolving Loan Fund
Wessington Springs Area Development Corporation	Wessington Springs	5,000.00	\$0.00		10/24/2013		Purchase new office equipment
<b>Total</b>		<b>2,507,272.42</b>	<b>\$580,615.00</b>	<b>233.00</b>			

Grant Applications Received: 20

Total Grant Amount Requested: \$2,507,272.42

Grants Approved: 10

Total Amount Approved: \$580,615      \$1,050,000 Starting Balance less \$580,615 Approved = \$469,385 Unobligated Balance

## 13c 30% Workforce Education Fund

Monday, January 27, 2014  
5:18 PM

**SB 235**  
**Workforce Education Fund**

Section 10 of the bill sets up the **workforce education fund** to do the following:

- 1) Provide additional funding for students who are limited English proficient (.25 of the PSA)
  - a.  $\$4,625.65 \times .25 = \mathbf{\$1156.41}$  in 2013-14
- 2) Provide grants for secondary career and technical education programs
- 3) Provide additional one-time funds for schools

The bill indicates that if, after funding the state's share of the limited English proficiency adjustment noted above, the balance of the workforce education fund exceeds \$2 million, the amount of money in excess of \$1 million shall be allocated as follows:

- 1) No more than \$1.5 million for new and existing CTE programs
- 2) Funding to districts based on fall enrollment

Funding for:	Rules Timeline		Amount	Distribution
English as a Second Language Funding	(No rules needed now, but might be some minor changes before July, 2014)		Workforce Education Fund- -\$2,100,000	As part of monthly state aid payment to local schools
Career & Technical Education	Draft: Spring 2014	Hearing: Fall 2014	Not to exceed \$1.5 million	Spring 2015
Left Over Funds distributed to Schools	(No rules needed)		?	Unknown

## 13d 25% Housing Opportunity Fund

Monday, January 27, 2014  
5:18 PM

**South Dakota Legislature Appropriations Committee  
Housing Opportunity Fund Status Update  
January 2014**

The Housing Opportunity Fund (HOF) program was created via the "Building South Dakota Fund" during the 2013 legislative session and was designed to promote economic development in South Dakota by expanding the supply of decent, safe, sanitary and affordable housing targeted to low and moderate income families and individuals in South Dakota. The application deadline for \$1.9 million in funding were due on October 1, 2013, and a total of 26 applications requesting \$2.6 million were received.

On December 18, 2013, the South Dakota Housing Development Authority's (SDHDA) Board of Commissioners approved \$1.9 million in HOF for various housing opportunities across the state.

The \$1.9 million awarded funded 21 projects resulting in the new construction of 20 single family homes, 50 multifamily housing units and the rehabilitation of 70 single family homes. Assistance was also provided for 83 individuals to receive homebuyer assistance/downpayment assistance and for 29 individuals to receive homelessness prevention activities.

The HOF may be used for new construction, the purchase and rehabilitation of rental or homeownership housing, housing preservation, homelessness prevention activities and community land trusts. SDHDA is the administering agency of the Housing Opportunity Fund.

Below is information regarding funded recipients:

**Project Name:** Beadle County 2013 Construction Project  
**Project Location:** 1581 Center Street West, Huron  
**Developer:** Habitat for Humanity of Beadle County, Inc  
**Housing Opportunity Funds Reserved:** \$40,000  
**Project Summary:** The new construction of one single family ranch style home.

**Project Name:** Brookings Area Habitat 2014 Build Program  
**Project Location:** 1416, 1420, 1426 Pactola Cove, Brookings  
**Developer:** Brookings Area Habitat for Humanity  
**Housing Opportunity Funds Reserved:** \$30,000  
**Project Summary:** The new construction of three single family ranch style homes.

**Project Name:** Creating Assets through Affordable Housing for the Lakota  
**Project Location:** Scattered Sites within a 50 mile radius of the Pine Ridge Reservation  
**Developer:** Mazaska Owecaso Otipi Financial, Inc  
**Housing Opportunity Funds Reserved:** \$55,000  
**Project Summary:** To provide financial literacy and homebuyer assistance for families living on or within a 50-mile radius of the Pine Ridge Reservation.

**Project Name:** Dakota Dream Savings Fund  
**Project Location:** Statewide  
**Developer:** Grow South Dakota  
**Housing Opportunity Funds Reserved:** \$125,000  
**Project Summary:** To provide funds for a statewide Individual Development Account to be used for downpayment and closing costs for the purchase of a home.

**Project Name:** Habitat for Humanity Building Houses, Building Neighborhoods  
**Project Location:** 6532, 6533, 6536, 6537 West Amber Street, Sioux Falls  
**Developer:** Habitat for Humanity of Greater Sioux Falls, Inc  
**Housing Opportunity Funds Reserved:** \$198,080  
**Project Summary:** The new construction of four, two bedroom, one bath, single family ranch style homes.

**Project Name:** Habitat for Humanity House Watertown  
**Project Location:** 1110 West Kemp Avenue. Watertown  
**Developer:** Habitat for Humanity Greater Watertown Region  
**Housing Opportunity Funds Reserved:** \$50,000  
**Project Summary:** The new construction of a three bedroom, two bath, single family ranch style home.

**Project Name:** Habitat for Humanity South Dakota  
**Project Location:** Rapid City  
**Developer:** Habitat for Humanity-South Dakota  
**Housing Opportunity Funds Reserved:** \$55,000  
**Project Summary:** To provide a downpayment assistance program for up to 10 habitat homeowners.

**Project Name:** Habitat for Humanity South Dakota  
**Project Location:** Huron, Brookings, Aberdeen, Watertown, Yankton  
**Developer:** Habitat for Humanity-South Dakota  
**Housing Opportunity Funds Reserved:** \$66,000  
**Project Summary:** To provide a downpayment assistance program for up to 12 habitat homeowners.

**Project Name:** HUB Area Habitat for Humanity House #13  
**Project Location:** 1717 Ward Drive, Aberdeen  
**Developer:** Hub Area Habitat for Humanity  
**Housing Opportunity Funds Reserved:** \$65,000  
**Project Summary:** The new construction of a three bedroom, one bath, single family ranch style home.

**Project Name:** Inter-lakes Community Action Partnership (ICAP) ESG Program  
**Project Location:** Brookings, Clark Codington, Deuel, Grant, Hamlin, Kingsbury, Lake, Lincoln, McCook, Moody, Miner, and rural Minnehaha and Turner Counties  
**Developer:** Inter-lakes Community Action Partnership  
**Housing Opportunity Funds Reserved:** \$72,500  
**Project Summary:** To provide rental deposits, rental assistance, case management and other services to prevent homelessness for 21 families.

**Project Name:** Inter-lakes Community Action Partnership (ICAP) ESG Program  
**Project Location:** 505 North Western Avenue, Sioux Falls  
**Developer:** Inter-lakes Community Action Partnership  
**Housing Opportunity Funds Reserved:** \$37,500  
**Project Summary:** To provide rental deposits, rental assistance, case management and other services to prevent homelessness for 8 families.



**Project Name:** Milbank Rural Acquisition Rehab/Resale  
**Project Location:** 48120 152 Street, Milbank  
**Developer:** NESDCAP dba Grow South Dakota  
**Housing Opportunity Funds Reserved:** \$49,000  
**Project Summary:** The rehabilitation of a four bedroom, one bath, single family two-story home.

**Project Name:** Neighborworks Dakota Home Resources – HO Rehab Program  
**Project Location:** Rapid City  
**Developer:** Neighborworks Dakota Home Resources  
**Housing Opportunity Funds Reserved:** \$50,000  
**Project Summary:** The rehabilitation of 13 single family homes in Rapid City.

**Project Name:** Neighborworks Dakota Home Resources – HO Rehab Program  
**Project Location:** Belle Fourche, Box Elder, Central City, Custer, Deadwood, Edgemont, Lead, Rapid City, Spearfish, Sturgis and Wall  
**Developer:** Neighborworks Dakota Home Resources  
**Housing Opportunity Funds Reserved:** \$50,000  
**Project Summary:** The rehabilitation of 13 single family homes.

**Project Name:** NESDCAP Home Improvement Program  
**Project Location:** Scattered Sites  
**Developer:** NESDCAP  
**Housing Opportunity Funds Reserved:** \$125,000  
**Project Summary:** The rehabilitation of 40 single family homes.

**Project Name:** Rapid City Good Samaritan Housing  
**Project Location:** 4243 Wisconsin Avenue, Rapid City  
**Developer:** The Evangelical Good Samaritan Society  
**Housing Opportunity Funds Reserved:** \$226,800  
**Project Summary:** The new construction of a three story, 50 unit, senior (62+), congregate care apartment complex.

**Project Name:** Thunder Valley Regenerative Project  
**Project Location:** 12 miles north of Porcupine  
**Developer:** Thunder Valley Community Development Corporation  
**Housing Opportunity Funds Reserved:** \$387,941  
**Project Summary:** The development of 15 lots and the new construction of six, three bedroom, one and one-half bath, single family homes.

**Project Name:** Wagner Home Ownership Opportunity  
**Project Location:** 122 North Street, NE; 504 2<sup>nd</sup> Street, SE, Wagner  
**Developer:** Wagner Development Partners, LLC  
**Housing Opportunity Funds Reserved:** \$196,321  
**Project Summary:** The new construction of four, two bedroom, one bath ranch style single family homes for lease purchase.

**Project Name:** 1<sup>st</sup> Avenue West Project  
**Project Location:** 802 1<sup>st</sup> Avenue West, Lemmon  
**Developer:** Lemmon Housing and Redevelopment Commission  
**Housing Opportunity Funds Reserved:** \$45,600

**Project Summary:** The acquisition/rehab of a two bedroom single family home.

**Project Name:** 3<sup>rd</sup> Avenue East Project

**Project Location:** 704 3<sup>rd</sup> Avenue East, Lemmon

**Developer:** Lemmon Housing and Redevelopment Commission

**Housing Opportunity Funds Reserved:** \$19,400

**Project Summary:** The acquisition/rehab of a two bedroom, two and one-half bath single family home.

**Project Name:** 7<sup>th</sup> Avenue West Project

**Project Location:** 204 7<sup>th</sup> Avenue West, Lemmon

**Developer:** Lemmon Housing and Redevelopment Commission

**Housing Opportunity Funds Reserved:** \$13,980

**Project Summary:** The acquisition/rehab of a four bedroom 1 and one-half bath single family home.

## 13e 5% South Dakota Jobs Program (REDI)

Monday, January 27, 2014  
5:18 PM

### South Dakota Jobs Program - Board of Economic Development CY2013 Approved Grants

Applicant	Location	Amount Requested	Grant Amt. (Board Approved)	Estimated Total Project Amount	Projected FTE'S	Date Received	Month Approved	Project Description
Electronic Systems Inc.	Sioux Falls	\$ 56,000.00	\$28,000.00	\$1,400,000.00	50.00	08/23/2013	September	Addition of Surface Mount Technology ("SMT") Line of Equipment/\$1.4M. Payment for half of Sales and use tax paid in
Total		\$ 56,000.00	\$28,000.00	\$1,400,000.00	50.00			

Grant Applications Received: 1

Total Grant Amount Requested: \$56,000

Grants Approved: 1

Total Amount Approved: \$28,000

\$350,000 Starting Balance less \$28,000 Approved = \$322,000 Unobligated Balance

## 13f Reinvestment Payment Program

Monday, January 27, 2014  
5:18 PM

### Reinvestment Payment Program - Board of Economic Development CY2013 Approved Grants

Applicant	Location	Amount Requested	Grant Amt. (Board Approved)	Estimated Total Project Amount	Projected FTE'S	Date Received	Month Approved	Project Description
3M Brookings	Brookings	N/A	\$234,000.00	\$11,700,000.00	17.00	07/08/2013	August	The project will include the design, build and installation of new high tech automated equipment to manufacture complex new medical dressings.
Marmen Energy Co	Brandon	\$600,000.00	\$600,000.00	\$37,000,000.00	250.00	07/20/2013	August	Starting a new facility - need to expand the building as well as buying and installing all production equipment in
Novita Aurora, LLC	Aurora	\$2,056,927.34	\$771,082.00	\$60,000,000.00	28.00	07/29/2013	September	Construction of a new corn oil facility
CCL Label	Sioux Falls	\$244,000.00	\$0			09/18/2013		Purchase and installation of a new Printing Press to print/produce "Full Body Shrink Sleeves".
<b>Total</b>		<b>\$2,900,927.34</b>	<b>\$1,605,082.00</b>	<b>\$108,700,000.00</b>	<b>295.00</b>			

Grant Applications Received: 4

Total Grant Amount Requested: \$2,900,927.34

Reinvestments Payments Approved: 3

Total Reinvestment Payments Approved: \$1,605,082

# 14 FY14 General Bill Summary

Friday, January 17, 2014  
7:08 AM

**Governor's Office of Economic Development**  
**FY2014 General Bill Summary**

	% Change From FY13		
	Cuts Only	Adds Only	Net
General	0.0	0.1%	0.0
Federal	0.0	0.0%	0.0
Other	0.0	32.5%	0.3
Total	0.0	18.2%	0.2

	General	Federal	Other	Total	FTE
<b>FY13 Budget</b>	6,211,821	13,962,346	25,780,911	45,955,078	117.1
<b>CUTS -</b>					
<b>-No Identified SWAP or C/O</b>					
• None					
Sub-Total of Cuts	0	0	0	0	0.0
<b>-Identified SWAP or C/O</b>					
• None					
Sub-Total of Cuts	0	0	0	0	0.0
<b>TOTAL (CUTS)</b>	0	0	0	0	0.0
<b>ADDS -</b>					
• Proof of concept research projects			200,000	200,000	
• SDHDA: Inc. employee insurance benefits			50,000	50,000	
• SDS&TA: FTEs and anticipated expenses			3,125,988	3,125,988	21.4
• Future Fund Spending authority			5,000,000	5,000,000	
• Interagency Billing Increase	5,279	224	1,030	6,533	
<b>TOTAL ADDS</b>	5,279	224	8,377,018	8,382,521	21.4
<b>NET (CUTS)/ADDS</b>	5,279	224	8,377,018	8,382,521	21.4
<b>Governor's Rec. FY12 Budget</b>	6,217,100	13,962,570	34,157,929	54,337,599	138.5
Amendment 1185mj					



## 15 Condition Statement - REDI

Wednesday, February 12, 2014  
12:46 PM

**GOVERNOR'S OFFICE OF ECONOMIC DEVELOPMENT  
REVOLVING ECONOMIC DEVELOPMENT AND INITIATIVE FUND  
CONDITION STATEMENT (6510)**

	<b>ACTUAL FY2012</b>	<b>ACTUAL FY2013</b>	<b>PROJECTED FY2014</b>	<b>PROJECTED FY2015</b>
<b>TOTAL RECEIPTS</b>	<b>\$5,437,565</b>	<b>\$3,689,117</b>	<b>\$2,611,356</b>	<b>\$2,607,350</b>
<b>TOTAL DISBURSEMENTS</b>	<b>\$732,787</b>	<b>\$1,403,444</b>	<b>\$3,012,751</b>	<b>\$2,726,381</b>
NET (Receipts less Disbursements)	\$4,704,777	\$2,285,673	(\$401,395)	(\$119,031)
ADJUSTMENTS	\$1,639,371	\$6,050,777	(\$12,802,302)	(\$3,976,081)
BEGINNING CASH BALANCE	\$42,875,654	\$51,219,802	\$61,906,252	\$50,702,554
ADJUSTMENTS	\$2,000,000	\$2,350,000	\$2,000,000	\$2,500,000
<b>ENDING CASH BALANCE</b>	<b>\$51,219,802</b>	<b>\$61,906,252</b>	<b>\$50,702,554</b>	<b>\$49,107,442</b>

Prepared by the Bureau of Finance and Management

Projections as of 12/3/2013